

110TH CONGRESS
1ST SESSION

S. 567

To authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2008, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 13, 2007

Mr. LEVIN (for himself and Mr. MCCAIN) (by request) introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2008, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Defense Au-
5 thorization Act for Fiscal Year 2008”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 (a) DIVISIONS.—This Act is organized into two divi-
8 sions as follows:

1 (1) DIVISION A.—Department of Defense Au-
2 thorizations.

3 (2) DIVISION B.—Military Construction Author-
4 izations.

5 (b) TABLE OF CONTENTS.—The table of contents for
6 this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Rapid Acquisition Fund.
Sec. 106. Joint Improvised Explosive Device Defeat Fund.

Subtitle B—Army Programs

Sec. 111. Multiyear procurement authority for Army programs.

Subtitle C—Navy Programs

Sec. 121. Multiyear procurement authority for Virginia Class submarine program.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.

Subtitle B—Missile Defense Programs

Sec. 211. Fielding of ballistic missile defense capabilities.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Other Department of Defense programs.

Subtitle B—Environmental Provisions

- Sec. 311. Reimbursement of Environmental Protection Agency for certain costs in connection with the Arctic Surplus Superfund Site, Fairbanks, Alaska.
- Sec. 312. Payment to EPA of stipulated penalties in connection with Jackson Park Housing Complex, Washington.
- Sec. 313. Promoting privately conducted responsible, compliant, and economically beneficial environmental restoration at closed installations.
- Sec. 314. Range management.
- Sec. 315. Air quality plans.
- Sec. 316. Enhanced encroachment protection.
- Sec. 317. Reimbursement of Environmental Protection Agency for certain costs in connection with Moses Lake Wellfield Superfund Site, Moses Lake, Washington.

Subtitle C—Workplace and Depot Issues

- Sec. 321. Modification of prohibition on contracts for performance of fire-fighting or security-guard functions.
- Sec. 322. Flexibility in use of low density/high demand military personnel.

Subtitle D—Other Matters

- Sec. 331. Reimbursement for National Guard military support to civilian law enforcement.
- Sec. 332. Extend period to transfer funds into the foreign currency fluctuations account.
- Sec. 333. Availability of Appropriations for unusual cost overruns and for changes in scope of work for ship overhaul, maintenance, and repair.
- Sec. 334. Reauthorization of aviation insurance program.
- Sec. 335. Reasonable restrictions on the payment of full replacement value for personal property claims.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

- Sec. 401. End strengths for active forces.

Subtitle B—Reserve Forces

- Sec. 411. End strengths for Selected Reserve.
- Sec. 412. End strengths for Reserves on active duty in support of the reserves.
- Sec. 413. End strengths for military technicians (dual status).
- Sec. 414. Fiscal year 2008 limitation on number of non-dual status technicians.
- Sec. 415. Maximum number of reserve personnel authorized to be on active duty for operational support.

Subtitle C—Authorization of Appropriations

- Sec. 421. Military personnel.
- Sec. 422. Armed Forces Retirement Home.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

- Sec. 501. Increase in authorized strengths for Army officers on active duty in the grade of major to meet new force structure requirements.
- Sec. 502. Increase in authorized strengths for Navy officers on active duty in the grades of lieutenant commander, commander, and captain to meet new force structure requirements.
- Sec. 503. Enhanced authority for reserve general and flag officers to serve on active duty.
- Sec. 504. Reenlistment of officers in their former enlisted grade.
- Sec. 505. Discharge of probationary officers and force shaping authority.
- Sec. 506. Addition of all Navy permanent military professors to the list of exemptions to DOPMA authorized grade limitations.
- Sec. 507. Mandatory separation of reserve officers in the grade of lieutenant general or vice admiral.
- Sec. 508. Adjustments in payment of continuation of pay in disability claims.
- Sec. 509. Temporary suspension of eligibility for education benefit.
- Sec. 510. Increased tenure for general and flag officers.
- Sec. 511. Amendment of years of service provision to conform with extended mandatory retirement age for active-duty general and flag officers.

Subtitle B—Reserve Component Matters

- Sec. 521. Duty of regular members of the Army and Air Force with the National Guard.
- Sec. 522. Enforcement of voluntary service agreements.
- Sec. 523. Benefits for certain National Guard duty.
- Sec. 524. Continued service within two years of retirement eligibility.
- Sec. 525. Increase in the period of temporary Federal recognition from six to twelve months.
- Sec. 526. Nuclear officer incentive pay: continuation pay eligibility.

Subtitle C—Education and Training

- Sec. 531. Issue of serviceable material other than to Armed Forces.
- Sec. 532. Authority for permanent professors at the service military academies or military graduate schools to sit as members of promotion boards.
- Sec. 533. Career military professors of the Navy: promotions.

Subtitle D—General Service Authorities

- Sec. 541. Shorten eight year mandatory service obligation for qualified health professionals in critical specialties.
- Sec. 542. Reinstatement of enhanced authority for selective early retirement.

Subtitle E—Military Justice Matters

- Sec. 551. Permit secretary to designate persons eligible for legal assistance.

Subtitle F—Defense Dependents Education System

- Sec. 561. Private tuition for military dependents in remote overseas areas.

Subtitle G—Other Matters

- Sec. 571. Elimination of annual limit on number of ROTC scholarships under Army Reserve and National Guard program.

- Sec. 572. Creation of uniform military band performance authority; clarification of circumstances that create competition with local civilian musicians.
- Sec. 573. Recovery of missing military property by the Navy and Marine Corps.
- Sec. 574. Flexible management of deployments of members.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

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- Sec. 601. Allowance for reserve screening.
- Sec. 602. JROTC instructor stipends for hard-to-fill areas.
- Sec. 603. Income replacement payments for Reserves experiencing extended and frequent mobilization for active duty service.
- Sec. 604. Revisions to tuition assistance authority.
- Sec. 605. Montgomery GI Bill for the Selected Reserve benefits for certain members affected by force shaping initiatives.
- Sec. 606. Extended servicemembers' group life insurance.
- Sec. 607. Modification of Montgomery GI Bill participation election and educational loan repayment.

Subtitle B—Bonuses and Special and Incentive Pays

- Sec. 611. One-year extension of certain bonus and special pays for reserve forces.
- Sec. 612. One-year extension of certain bonus and special pay authorities for certain health care professionals.
- Sec. 613. One-year extension of special pay and bonus authorities for nuclear officers.
- Sec. 614. Exception to 25 years of active duty limit for receipt of critical skills retention bonus.
- Sec. 615. Enhancement of Referral Bonus to Encourage Service in the Army.
- Sec. 616. Enhancement of Selected Reserve accession bonus authority.
- Sec. 617. Special pay: reenlistment bonus for members of the Selected Reserve.
- Sec. 618. Increase in incentive special pay and multiyear retention bonus for medical officers of the Armed Forces.
- Sec. 619. Increase in dental officer additional special pay.
- Sec. 620. Accession bonus for participants in the Armed Forces health professional scholarship and financial assistance program.

Subtitle C—Retired Pay and Survivor Benefits

- Sec. 621. Waiver of recoupment of overpayments of retired pay to spouse or former spouse as a result of retroactive disability determination.
- Sec. 622. Survivor benefit plan; extension of period for election deemed to have been made.
- Sec. 623. Allowing member to submit application for direct payment.
- Sec. 624. Division of retired pay to be based on member's length of service and pay grade at time of divorce.
- Sec. 625. Increases for divisions of retired pay expressed as a dollar amount.
- Sec. 626. Lump sum payments to former spouses of members of the uniformed services.
- Sec. 627. Prohibit court-ordered payments before retirement based on imputation of retired pay.
- Sec. 628. Revocation of ten-year rule for direct payment of retired pay.
- Sec. 629. Survivor benefit plan; multiple beneficiaries.

- Sec. 630. Survivor benefit plan; financial responsibility for survivor benefit plan participation.
- Sec. 631. Survivor benefit plan; presumptive proportionate share.

Subtitle D—Commissary and Nonappropriated Fund Instrumentality Benefits

- Sec. 641. Continuation of commissary and exchange privileges.

Subtitle E—Other Matters

- Sec. 651. Change in the definition of sea duty for career sea pay to include multi-crew ships.
- Sec. 652. Establishment of Army incentive fund.
- Sec. 653. Expansion of Selected Reserve education loan repayment program.
- Sec. 654. Reemployment rights following certain National Guard duty.
- Sec. 655. Allow member To waive notice and provide court order upon request.
- Sec. 656. Disregard periods of confinement for dependent victims of abuse.
- Sec. 657. Clarifying amendment regarding jurisdiction for purposes of allocation of retired pay under the Uniformed Services Former Spouse Protection Act.
- Sec. 658. Overseas naturalization of military family members.

TITLE VII—HEALTH CARE PROVISIONS

TRICARE Program Improvements

- Sec. 701. Revising TRICARE program cost sharing amounts.
- Sec. 702. Exclusion of surrogacy maternity and infant care.
- Sec. 703. Suspension of health care eligibility for fraud.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT,
AND RELATED MATTERS

Subtitle A—Acquisition Policy and Management

- Sec. 801. Unified combatant command for joint warfighting experimentation: acquisition authority.
- Sec. 802. Limited authorization to acquire items produced in Iraq or Afghanistan for use by Iraqi or Afghani forces.
- Sec. 803. Authority to use simplified acquisition procedures for certain commercial items.
- Sec. 804. Minimum annual purchase for Civil Reserve Air Fleet contracts.
- Sec. 805. Streamline jurisdiction over government contract claims, disputes and appeals arising out of maritime contracts.
- Sec. 806. Revisions to required receipt objectives for previously authorized disposals from the national defense stockpile.

Subtitle B—Amendments to General Contracting Authorities, Procedures, and Limitations

- Sec. 811. Repealing the sunset provision of the Acquisition Workforce Training Fund.
- Sec. 812. Revitalization of Department of Defense laboratories.
- Sec. 813. Extension of the authority to carry out certain prototype projects.
- Sec. 814. Qualifications for public aircraft status of aircraft under contract with the Armed Forces.
- Sec. 815. Extending the determination of shortage category positions for certain Federal acquisition positions.

- Sec. 816. Multiyear procurement authority for electricity from renewable energy sources.
- Sec. 817. Exemption for Special Operations Command.

Subtitle C—Other Matters

- Sec. 821. Applicability of statutory executive compensation cap made prospective.
- Sec. 822. Authority to appoint an acting chair for the Cost Accounting Standards Board.
- Sec. 823. Small business innovation research awards; use of program funds for administrative costs.
- Sec. 824. Small business innovation research program; discretionary technical assistance.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Department of Defense Management

- Sec. 901. Department of Defense Board of Actuaries.
- Sec. 902. Limitation on major Department of Defense headquarters activities personnel.
- Sec. 903. Flexibility to adjust the number of Army deputy chiefs of staff and assistant chiefs of staff.
- Sec. 904. Receipts for employees and military members of the Department of Defense.
- Sec. 905. Centers for Excellence in Human Rights.

Subtitle B—Chemical Demilitarization Program

- Sec. 911. Change in termination requirement for Chemical Demilitarization Citizens' Advisory Commissions.

Subtitle C—Intelligence-Related Matters

- Sec. 921. Repeal of standards of mandatory disqualification from eligibility for Department of Defense security clearance.
- Sec. 922. Technical amendments to title 10, United States Code, arising from enactment of the Intelligence Reform and Terrorism Prevention Act of 2004.
- Sec. 923. Protection of information regarding weapons of mass destruction.
- Sec. 924. Prohibition on disclosure of certain geodetic products.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

- Sec. 1001. Repeal of requirement for two-year budget cycle for the Department of Defense.
- Sec. 1002. Short-term investment of burden sharing contributions from Republic of Korea.
- Sec. 1003. Increase limitation on advance billing of Working Capital Fund customers.

Subtitle B—Policy Relating to Vessels and Shipyards

- Sec. 1011. Temporary waiver of the minimum aircraft carrier requirement.

Sec. 1012. Disposals to foreign nations.

Subtitle C—Counter-Drug Activities

Sec. 1021. Use of funds for counter-drug and counter-terrorism.

Subtitle D—Matters Related to Homeland Security

Sec. 1031. Support to national special security events and other critical national security activities.

Subtitle E—Other Matters

Sec. 1041. Protection of Department of Defense persons designated by the Secretary of Defense.

Sec. 1042. Clarification of jurisdiction of the United States District Courts to hear bid protest disputes involving maritime contracts.

Sec. 1043. Cancellation of use of aircraft for proficiency flying: limitation.

Sec. 1044. Prompt conversion of Army forces in Hawaii.

Sec. 1045. Expand cooperative agreement authority for management of cultural resources to include off-installation mitigation.

TITLE XI—CIVILIAN PERSONNEL MATTERS

Sec. 1101. Compensation for Federal wage system employees for certain travel hours.

Sec. 1102. Special benefits for civilian employees assigned on deployment temporary change of station.

Sec. 1103. Authority to waive limitation on premium pay for Federal civilian employees.

Sec. 1104. Increase in authorized number of defense intelligence senior executive service employees.

Sec. 1105. Accumulation of annual leave by senior level employees.

Sec. 1106. Travel compensation for prevailing rate employees.

Sec. 1107. Annuity commencing dates.

Sec. 1108. Life insurance coverage for employees called to active duty.

Sec. 1109. Flexibility in setting pay for employees who move from a Department of Defense or Coast Guard nonappropriated fund instrumentality position to a DoD or Coast Guard position in the general schedule pay system.

Sec. 1110. Informing government contractor employees of their whistleblower rights.

TITLE XII—MATTERS RELATING TO FOREIGN NATIONS

Subtitle A—Assistance and Training

Sec. 1201. Authority to train and equip foreign personnel to assist in accounting for missing personnel.

Sec. 1202. Provision of support and services to foreign military and state aircraft.

Subtitle B—Nonproliferation Matters and Countries of Concern

Sec. 1211. Repeal of certain laws pertaining to the Joint Committee for the Review of Counterproliferation Programs.

Subtitle C—Other Matters

- Sec. 1221. Cooperative research and development agreements: NATO organizations; allied and friendly foreign countries.
- Sec. 1222. Amendment to the composition of the Board of Visitors of the Western Hemisphere Institute for Security Cooperation.
- Sec. 1223. Accept funds from the Government of Palau.
- Sec. 1224. Sharing risks in international operations.

TITLE XIII—MATTERS RELATED TO DEFENSE AGAINST
TERRORISM AND RELATED SECURITY MATTERS

- Sec. 1301. Rationalizing rewards for assistance in combating terrorism.

TITLE XIV—ADDITIONAL AUTHORIZATIONS FOR INCREASED
COSTS DUE TO THE GLOBAL WAR ON TERROR FOR MILITARY
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2008

- Sec. 1401. Army procurement.
- Sec. 1402. Navy and Marine Corps procurement.
- Sec. 1403. Air Force procurement.
- Sec. 1404. Defense-wide activities procurement.
- Sec. 1405. Joint Improvised Explosive Device Defeat Fund.
- Sec. 1406. Research, development, test, and evaluation.
- Sec. 1407. Operation and maintenance funding.
- Sec. 1408. Working capital funds.
- Sec. 1409. Other Department of Defense programs.
- Sec. 1410. Iraq Freedom Fund.
- Sec. 1411. Afghanistan Security Forces Fund.
- Sec. 1412. Iraq Security Forces Fund.
- Sec. 1413. Additional end strengths for active forces.
- Sec. 1414. Military personnel.
- Sec. 1415. Authorized Army construction and land acquisition projects.
- Sec. 1416. Military construction authorization of appropriations, Army.
- Sec. 1417. Authorized Navy construction and land acquisition projects.
- Sec. 1418. Military construction authorization of appropriations, Navy.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

- Sec. 2001. Short title.

TITLE XXI—ARMY

(TO BE SUBMITTED AT A LATER DATE)

TITLE XXII—NAVY

(TO BE SUBMITTED AT A LATER DATE)

TITLE XXIII—AIR FORCE

(TO BE SUBMITTED AT A LATER DATE)

TITLE XXIV—DEFENSE AGENCIES

(TO BE SUBMITTED AT A LATER DATE)

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION
SECURITY INVESTMENT PROGRAM

(TO BE SUBMITTED AT A LATER DATE)

TITLE XXVI—CHEMICAL DEMILITARIZATION CONSTRUCTION PROGRAM

(TO BE SUBMITTED AT A LATER DATE)

TITLE XXVII—GUARD AND RESERVE FORCES FACILITIES

(TO BE SUBMITTED AT A LATER DATE)

TITLE XXVIII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

(TO BE SUBMITTED AT A LATER DATE)

TITLE XXIX—MILITARY CONSTRUCTION GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

- Sec. 2901. Alternative authority for acquisition and improvement of military housing.
- Sec. 2902. Increased threshold for congressional notification of leases for military family housing facilities in a foreign country.
- Sec. 2903. Updating foreign currency fluctuation adjustment for certain military family housing leases in Korea.
- Sec. 2904. Flexibility in determining domestic family housing lease maximums.
- Sec. 2905. Extension of authority to accept equalization payments for facility exchanges.

Subtitle B—Real Property and Facilities Administration

- Sec. 2911. Consolidation of real property provisions without substantive change.
- Sec. 2912. Transfer of the Air Force Memorial to the Department of the Air Force.

Subtitle C—Land Conveyances

- Sec. 2921. Land transfer of Arlington Naval Annex to Arlington National Cemetery.

Subtitle D—Other Matters

- Sec. 2931. Authority to use operation and maintenance funds for construction projects outside the United States.
- Sec. 2932. Streamlining military construction to reduce facility acquisition and construction cycle time.
- Sec. 2933. Amendment of the Federal Land Policy and Management Act of 1976 to include Nevada as a State where the military can access public land via a permit granted by the Secretary of the Interior.

1 **DIVISION A—DEPARTMENT OF**
2 **DEFENSE AUTHORIZATIONS**
3 **TITLE I—PROCUREMENT**
4 **Subtitle A—Authorization of**
5 **Appropriations**

6 **SEC. 101. ARMY.**

7 Funds are hereby authorized to be appropriated for
8 fiscal year 2008 for procurement for the Army as follows:

9 (1) For aircraft, \$4,179,848,000.

10 (2) For missiles, \$1,645,485,000.

11 (3) For weapons and tracked combat vehicles,
12 \$3,089,998,000.

13 (4) For ammunition, \$2,190,576,000.

14 (5) For other procurement, \$12,647,099,000.

15 **SEC. 102. NAVY AND MARINE CORPS.**

16 (a) NAVY.—Funds are hereby authorized to be appro-
17 priated for fiscal year 2008 for procurement for the Navy
18 as follows:

19 (1) For aircraft, \$12,747,767,000.

20 (2) For weapons, including missiles and tor-
21 pedoes, \$3,084,387,000.

22 (3) For shipbuilding and conversion,
23 \$13,656,120,000.

24 (4) For other procurement, \$5,470,412,000.

1 (b) MARINE CORPS.—Funds are hereby authorized to
2 be appropriated for fiscal year 2008 for procurement for
3 the Marine Corps in the amount of \$2,999,057,000.

4 (c) NAVY AND MARINE CORPS AMMUNITION.—Funds
5 are hereby authorized to be appropriated for fiscal year
6 2008 for procurement of ammunition for the Navy and
7 Marine Corps in the amount of \$760,484,000.

8 **SEC. 103. AIR FORCE.**

9 Funds are hereby authorized to be appropriated for
10 fiscal year 2008 for procurement for the Air Force as fol-
11 lows:

12 (1) For aircraft, \$12,393,270,000.

13 (2) For ammunition, \$868,917,000.

14 (3) For missiles, \$5,131,002,000.

15 (4) For other procurement, \$15,421,162,000.

16 **SEC. 104. DEFENSE-WIDE ACTIVITIES.**

17 Funds are hereby authorized to be appropriated for
18 fiscal year 2008 for Defense-wide procurement in the
19 amount of \$3,318,834,000.

20 **SEC. 105. RAPID ACQUISITION FUND.**

21 Funds are hereby authorized to be appropriated for
22 fiscal year 2008 for Rapid Acquisition Fund in the
23 amount of \$100,000,000.

1 **SEC. 106. JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT**
 2 **FUND.**

3 Funds are hereby authorized to be appropriated for
 4 fiscal year 2008 for Joint Improvised Explosive Device
 5 Defeat Fund in the amount of \$500,000,000.

6 **Subtitle B—Army Programs**

7 **SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR**
 8 **ARMY PROGRAMS.**

9 Beginning with the fiscal year 2008 program year,
 10 the Secretary of the Army may, in accordance with section
 11 2306b of title 10, United States Code, enter into multi-
 12 year contracts for procurement of the following:

- 13 (1) Army Ch-Chinook Helicopter;
 14 (2) M1A2 Abrams System Enhancement Pack-
 15 age upgrades, and
 16 (3) M2A3/M3A3 Bradley upgrades.

17 **Subtitle C—Navy Programs**

18 **SEC. 121. MULTIYEAR PROCUREMENT AUTHORITY FOR VIR-**
 19 **GINIA CLASS SUBMARINE PROGRAM.**

20 (a) **AUTHORITY.**—The Secretary of the Navy may, in
 21 accordance with section 2306b of title 10, United States
 22 Code, enter into multiyear contracts, beginning with the
 23 fiscal year 2009 program year, for the procurement of Vir-
 24 ginia-class submarines and government-furnished equip-
 25 ment.

1 (b) LIMITATIONS.—The Secretary of the Navy may
2 not enter into a contract authorized by subsection (a)
3 until—

4 (1) the Secretary submits to the congressional
5 defense committees a certification that the Secretary
6 has made each of the findings with respect to such
7 contract specified in subsection (a) of section 2306b
8 of title 10, United States Code; and

9 (2) a period of 30 days has elapsed after the
10 date of the transmission of such certification.

11 **TITLE II—RESEARCH, DEVELOP-**
12 **MENT, TEST, AND EVALUA-**
13 **TION**

14 **Subtitle A—Authorization of**
15 **Appropriations**

16 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

17 Funds are hereby authorized to be appropriated for
18 fiscal year 2008 for the use of the Department of Defense
19 for research, development, test, and evaluation, as follows:

20 (1) For the Army, \$10,589,604,000.

21 (2) For the Navy, \$17,075,536,000.

22 (3) For the Air Force, \$26,711,940,000.

23 (4) For Defense-wide activities,
24 \$20,740,114,000, of which \$180,264,000 is author-

1 ized for the Director of Operational Test and Eval-
2 uation.

3 **Subtitle B—Missile Defense**
4 **Programs**

5 **SEC. 211. FIELDING OF BALLISTIC MISSILE DEFENSE CAPA-**
6 **BILITIES.**

7 Upon approval by the Secretary of Defense, funds au-
8 thorized to be appropriated for fiscal year 2009 for re-
9 search, development, test, and evaluation for the Missile
10 Defense Agency may be used for the development and
11 fielding of ballistic missile defense capabilities.

12 **TITLE III—OPERATION AND**
13 **MAINTENANCE**
14 **Subtitle A—Authorization of**
15 **Appropriations**

16 **SEC. 301. OPERATION AND MAINTENANCE FUNDING.**

17 Funds are hereby authorized to be appropriated for
18 fiscal year 2008 for the use of the Armed Forces and other
19 activities and agencies of the Department of Defense, for
20 expenses, not otherwise provided for, for operation and
21 maintenance, in amounts as follows:

- 22 (1) For the Army, \$28,924,973,000.
23 (2) For the Navy, \$33,334,690,000.
24 (3) For the Marine Corps, \$4,961,393,000.
25 (4) For the Air Force, \$33,655,633,000.

- 1 (5) For the Defense-wide activities,
2 \$22,574,278,000.
- 3 (6) For the Army Reserve, \$2,508,062,000.
- 4 (7) For the Navy Reserve, \$1,186,883,000.
- 5 (8) For the Marine Corps Reserve,
6 \$208,637,000.
- 7 (9) For the Air Force Reserve, \$2,692,077,000.
- 8 (10) For the Army National Guard,
9 \$5,840,209,000.
- 10 (11) For the Air National Guard,
11 \$5,041,965,000.
- 12 (12) For the United States Court of Appeals
13 for the Armed Forces, \$11,971,000.
- 14 (13) For Environmental Restoration, Army,
15 \$434,879,000.
- 16 (14) For Environmental Restoration, Navy,
17 \$300,591,000.
- 18 (15) For Environmental Restoration, Air Force,
19 \$458,428,000.
- 20 (16) For Environmental Restoration, Defense-
21 wide, \$12,751,000.
- 22 (17) For Environmental Restoration, Formerly
23 Used Defense Sites, \$250,249,000.
- 24 (18) For Overseas Humanitarian, Disaster, and
25 Civic Aid programs, \$103,300,000.

1 (19) For Former Soviet Union Threat Reduc-
2 tion programs, \$348,048,000.

3 (20) For the Overseas Contingency Operations
4 Transfer Fund, \$5,000,000.

5 **SEC. 302. WORKING CAPITAL FUNDS.**

6 Funds are hereby authorized to be appropriated for
7 fiscal year 2008 for the use of the Armed Forces and other
8 activities and agencies of the Department of Defense for
9 providing capital for working capital and revolving funds
10 in amounts as follows:

11 (1) For the Defense Working Capital Funds,
12 \$1,352,746,000.

13 (2) For the National Defense Sealift Fund,
14 \$1,079,094,000.

15 **SEC. 303. OTHER DEPARTMENT OF DEFENSE PROGRAMS.**

16 (a) **DEFENSE HEALTH PROGRAM.**—Funds are here-
17 by authorized to be appropriated for the Department of
18 Defense for fiscal year 2008 for expenses, not otherwise
19 provided for, for the Defense Health Program, in the
20 amount of \$20,679,124,000, of which—

21 (1) \$20,182,381,000 is for Operation and
22 Maintenance;

23 (2) \$134,482,000 is for Research, Development,
24 Test, and Evaluation; and

25 (3) \$362,261,000 is for Procurement.

1 (b) CHEMICAL AGENTS AND MUNITIONS DESTRUC-
2 TION, ARMY.—

3 (1) AUTHORIZATION OF APPROPRIATIONS.—

4 Funds are hereby authorized to be appropriated for
5 the Department of Defense for fiscal year 2008 for
6 expenses, not otherwise provided for, for Chemical
7 Agents and Munitions Destruction, in the amount of
8 \$1,455,724,000, of which—

9 (A) \$1,198,086,000 is for Operation and
10 Maintenance;

11 (B) \$221,212,000 is for Research, Devel-
12 opment, Test, and Evaluation; and

13 (C) \$36,426,000 is for Procurement.

14 (2) USE.—Amounts authorized to be appro-
15 priated under paragraph (1) are authorized for—

16 (A) the destruction of lethal chemical
17 agents and munitions in accordance with sec-
18 tion 1412 of the Department of Defense Au-
19 thorization Act, 1986 (50 U.S.C. 1521); and

20 (B) the destruction of chemical warfare
21 materiel of the United States that is not cov-
22 ered by section 1412 of such Act.

23 (c) DRUG INTERDICTION AND COUNTER-DRUG AC-
24 TIVITIES, DEFENSE-WIDE.—Funds are hereby authorized
25 to be appropriated for the Department of Defense for fis-

1 cal year 2008 for expenses, not otherwise provided for, for
 2 Drug Interdiction and Counter-Drug Activities, Defense-
 3 wide, in the amount of \$936,822,000.

4 (d) DEFENSE INSPECTOR GENERAL.—Funds are
 5 hereby authorized to be appropriated for the Department
 6 of Defense for fiscal year 2008 for expenses, not otherwise
 7 provided for, for the Office of the Inspector General of
 8 the Department of Defense, in the amount of
 9 \$215,995,000, of which—

10 (1) \$214,995,000 is for Operation and Mainte-
 11 nance; and

12 (2) \$1,000,000 is for Procurement.

13 **Subtitle B—Environmental** 14 **Provisions**

15 **SEC. 311. REIMBURSEMENT OF ENVIRONMENTAL PROTEC-** 16 **TION AGENCY FOR CERTAIN COSTS IN CON-** 17 **NECTION WITH THE ARCTIC SURPLUS SUPER-** 18 **FUND SITE, FAIRBANKS, ALASKA.**

19 From funds authorized to be appropriated by section
 20 301(16) for Environmental Restoration, Defense-wide, the
 21 Secretary of Defense may, notwithstanding section 2215
 22 of title 10, United States Code, transfer not more than
 23 \$186,625.38 to the Hazardous Substance Superfund to
 24 reimburse the Environmental Protection Agency for costs
 25 incurred pursuant to the agreement known as “In the

1 Matter of Arctic Surplus Superfund Site, U.S. EPA Docket-
2 et Number CERCLA-10-2003-0114: Administrative
3 Order on Consent for Remedial Design and Remedial Ac-
4 tion,” entered into by the Department of Defense and the
5 Environmental Protection Agency on December 11, 2003.

6 **SEC. 312. PAYMENT TO EPA OF STIPULATED PENALTIES IN**
7 **CONNECTION WITH JACKSON PARK HOUSING**
8 **COMPLEX, WASHINGTON.**

9 From funds authorized to be appropriated by section
10 301(14) for operation and maintenance for Environmental
11 Restoration, Navy, the Secretary of the Navy may, not-
12 withstanding section 2215 of title 10, United States Code,
13 transfer not more than \$40,000.00 to the Hazardous Sub-
14 stance Superfund to pay a stipulated penalty assessed by
15 the Environmental Protection Agency on October 25,
16 2005, against the Jackson Park Housing Complex, Wash-
17 ington, for the Navy’s failure to timely submit a draft final
18 Phase II Remedial Investigation Work Plan for the Jack-
19 son Park Housing Complex Operable Unit (OU-3T-
20 JPHC) pursuant to a schedule included in an Interagency
21 Agreement (Administrative Docket No. CERCLA-10-
22 2005-0023).

1 **SEC. 313. PROMOTING PRIVATELY CONDUCTED RESPON-**
2 **SIBLE, COMPLIANT, AND ECONOMICALLY**
3 **BENEFICIAL ENVIRONMENTAL RESTORATION**
4 **AT CLOSED INSTALLATIONS.**

5 Section 2905(e) of the Defense Base Closure and Re-
6 alignment Act of 1990 (part A of title XXIX of Public
7 Law 101–510; 10 U.S.C. 2687 note) is amended—

8 (1) in paragraph (1)—

9 (A) in subparagraph (A), by striking “,
10 waste management, and environmental compli-
11 ance”;

12 (B) in subparagraph (B), by striking “ex-
13 clusively for the use” and all that follows
14 through the period at the end of the subpara-
15 graph and inserting “for purposes other than to
16 assist the homeless.”; and

17 (C) in subparagraph (C), by inserting be-
18 fore the period at the end the following: “, and
19 shall require appropriate financial assurance (as
20 determined by the Secretary) by the property
21 recipient for environmental restoration activities
22 not otherwise addressed by paragraph (5)”;

23 (2) in paragraph (2), by striking “Congress
24 that” and all that follows through the end and in-
25 serting “Congress that the resulting transaction
26 will—

1 “(A) ensure that all response actions nec-
2 essary to protect human health and the environ-
3 ment will be completed;

4 “(B) provide an economically sound trans-
5 action for the United States; and

6 “(C) promote rapid reuse of the prop-
7 erty.”.

8 (3) by striking paragraph (3);

9 (4) by redesignating paragraphs (4), (5), and
10 (6) as paragraphs (3), (4), and (5), respectively;

11 (5) in paragraph (5), as so redesignated, by
12 striking “paragraph (4)” and inserting “paragraph
13 (3)”; and

14 (6) by adding at the end the following new
15 paragraph (6):

16 “(6) Any payments received pursuant to an
17 agreement under paragraph (1) at an installation
18 approved for closure or realignment on or before
19 January 1, 2005, shall be deposited into the account
20 established pursuant to section 2906. Any payments
21 received under paragraph (1) at an installation ap-
22 proved for closure or realignment after January 1,
23 2005, shall be deposited into the account established
24 pursuant to section 2906A.”.

1 **SEC. 314. RANGE MANAGEMENT.**

2 (a) DEFINITION OF SOLID WASTE.—(1) The term
3 “solid waste” as used in the Solid Waste Disposal Act,
4 as amended (42 U.S.C. 6901 et seq.), does not include—

5 (A) military munitions, including unexploded
6 ordnance; or

7 (B) the constituents thereof, that are or have
8 come to be located, incident to their normal and ex-
9 pected use, on an operational range, and remain
10 thereon.

11 (2) Paragraph (1) shall not apply to—

12 (A) military munitions, including unexploded
13 ordnance; or

14 (B) the constituents thereof, that—

15 (i) are recovered, collected, and then dis-
16 posed of by burial or landfilling;

17 (ii) have migrated off an operational range;

18 (iii) come to be located off of an oper-
19 ational range; or

20 (iv) remain on the range once the range
21 ceases to be an operational range.

22 (3) Nothing in this section affects the authority of
23 federal, state, interstate, or local regulatory authorities to
24 determine when—

25 (A) military munitions, including unexploded
26 ordnance; or

1 (B) the constituents thereof,
2 become hazardous waste for purposes of the Solid Waste
3 Disposal Act, as amended, including, but not limited to,
4 sections 7002 and 7003 (42 U.S.C. 6972 and 6973), ex-
5 cept for military munitions, including unexploded ord-
6 nance, or the constituents thereof, that are excluded from
7 the definition of solid waste by this subsection.

8 (b) DEFINITION OF RELEASE.—(1) The term “re-
9 lease” as used in the Comprehensive Environmental Re-
10 sponse, Compensation, and Liability Act of 1980, as
11 amended (42 U.S.C. 9601 et seq.), does not include the
12 deposit or presence of any—

13 (A) military munitions, including unexploded
14 ordnance; or

15 (B) the constituents thereof,
16 that are or have come to be located, incident to their nor-
17 mal and expected use, on an operational range, and re-
18 main thereon.

19 (2) Paragraph (1) shall not apply to—

20 (A) military munitions, including unexploded
21 ordnance; or

22 (B) the constituents thereof, that—

23 (i) migrate off an operational range;

24 (ii) come to be located off of an operational
25 range; or

1 (iii) remain on the range once the range
2 ceases to be an operational range.

3 (3) Notwithstanding the provisions of paragraph (1),
4 the authority of the President under section 106(a) of the
5 Comprehensive Environmental Response, Compensation,
6 and Liability Act of 1980, as amended (42 U.S.C.
7 9606(a)), to take action because there may be an immi-
8 nent and substantial endangerment to the public health
9 or welfare or the environment because of an actual or
10 threatened release of a hazardous substance includes the
11 authority to take action because of the deposit or presence
12 of any—

13 (A) military munitions, including unexploded
14 ordnance; or

15 (B) the constituents thereof,
16 that are or have come to be located, incident to their nor-
17 mal and expected use, on an operational range, and re-
18 main thereon.

19 (c) DEFINITIONS.—(1) For purposes of this section,
20 the term “constituents” means any materials originating
21 from military munitions, including—

22 (A) unexploded ordnance;

23 (B) explosive and non-explosive materials; and

24 (C) emission, degradation, or breakdown prod-
25 ucts of such munitions.

1 (2) For purposes of this section, the terms “military
2 munitions”, “operational range”, and “unexploded ord-
3 nance” have the meanings given such terms in section
4 101(e) of title 10, United States Code.

5 (d) CHANGE IN RANGE STATUS.—Nothing in this
6 section affects the legal requirements applicable to—

7 (1) military munitions, including unexploded
8 ordnance; or

9 (2) the constituents thereof,
10 that have come to be located on an operational range, once
11 the range ceases to be an operational range.

12 (e) CONTINUATION OF AUTHORITY.—Nothing in this
13 section affects the authority of the Department of Defense
14 to protect the environment, safety, and health on oper-
15 ational ranges.

16 **SEC. 315. AIR QUALITY PLANS.**

17 (a) CONFORMITY WITH CLEAN AIR ACT.—In any
18 case in which the requirements of section 176(c) of the
19 Clean Air Act would have applied to proposed military
20 readiness activities, the Department of Defense shall not
21 be prohibited from engaging in such activities and it shall
22 have up to three years, from the date such activities begin,
23 to satisfy the requirements of that section, provided:

24 (1) the Department of Defense has provided the
25 State in which the proposed military readiness ac-

1 activities would occur an estimate of the annual emis-
2 sions caused by the proposed military readiness ac-
3 tivities for all criteria pollutants for which the area
4 is designated “non-attainment” or “maintenance”;
5 and

6 (2) the State provides written concurrence with
7 the extension of up to three years.

8 (b) ENVIRONMENTAL PROTECTION AGENCY AP-
9 PROVAL.—Notwithstanding any other provisions of law,
10 an implementation plan or plan revision required under
11 the Clean Air Act shall be approved by the Administrator
12 of the Environmental Protection Agency if:

13 (1) such plan or revision meets all the require-
14 ments applicable to it under the Clean Air Act other
15 than a requirement that such plan or revision dem-
16 onstrate attainment and maintenance of the relevant
17 national ambient air quality standards by the attain-
18 ment date specified under the applicable provision of
19 the Act, or in a regulation promulgated under such
20 provision; and

21 (2) the submitting State established to the sat-
22 isfaction of the Administrator that the implementa-
23 tion plan of such State would be adequate to attain
24 and maintain the relevant national ambient air qual-
25 ity standards by the attainment date specified under

1 the applicable provision of the Act, or in a regulation
2 promulgated under such provision, but for emissions
3 emanating from military readiness activities not oth-
4 erwise meeting section 176(c) of the Act pursuant to
5 subsection (a) of this section.

6 (c) EFFECT ON STATE COMPLIANCE WITH OZONE
7 STANDARDS.—Notwithstanding any other provisions of
8 law, any State that establishes to the satisfaction of the
9 Administrator that, with respect to an ozone non-attain-
10 ment area in such State, such State would have attained
11 the national ambient air quality standard for ozone by the
12 applicable attainment date, but for emissions emanating
13 from military readiness activities not otherwise meeting
14 section 176(c) of the Clean Air Act pursuant to subsection
15 (a) of this section, shall not be subject to the provisions
16 of section 181(b)(2) and (4) or section 185 of the Act.

17 (d) EFFECT ON STATE COMPLIANCE WITH CARBON
18 MONOXIDE STANDARDS.—Notwithstanding any other pro-
19 vision of law, any State that establishes to the satisfaction
20 of the Administrator, with respect to a carbon monoxide
21 non-attainment area in such State, that such State has
22 attained the national ambient air quality standard for car-
23 bon monoxide by the applicable attainment date, but for
24 emissions emanating from military readiness activities not
25 otherwise meeting section 176(c) of the Clean Air Act pur-

1 suant to subsection (a) of this section, shall not be subject
2 to the provisions of section 186(b)(2) or 187(g) of the Act.

3 (e) EFFECT ON STATE COMPLIANCE WITH PM-10
4 STANDARDS.—Notwithstanding any other provisions of
5 law, any State that establishes to the satisfaction of the
6 Administrator that, with respect to a PM-10 non-attain-
7 ment area in such State, such State would have attained
8 the national ambient air quality standard for PM-10 by
9 the applicable attainment date, but for emission ema-
10 nating from military readiness activities not otherwise
11 meeting section 176(e) of the Clean Air Act pursuant to
12 subsection (a) of this section, shall not be subject to the
13 provisions of section 188(b)(2) of the Act.

14 (f) MILITARY READINESS ACTIVITIES.—The term
15 “military readiness activities” (1) includes—

16 (A) all training and operations of the Armed
17 Forces that relate to combat; and

18 (B) the adequate and realistic testing of mili-
19 tary equipment, vehicles, weapons, and sensors for
20 proper operation and suitability for combat use; but

21 (2) does not include—

22 (A) the routine operation of installation oper-
23 ating support functions, including but not limited to
24 heat and electric production, administrative offices,
25 military exchanges, commissaries, water treatment

1 facilities, storage facilities, schools, housing, motor
2 pools, laundries, morale, welfare, and recreation ac-
3 tivities, shops, and mess halls;

4 (B) the operation of industrial activities; or

5 (C) the construction or demolition of facilities
6 used for a purpose described in paragraph (1).

7 **SEC. 316. ENHANCED ENCROACHMENT PROTECTION.**

8 Section 2684a(d) of title 10, United States Code, is
9 amended—

10 (1) by redesignating paragraphs (3), (4), (5),
11 and (6) as paragraphs (4), (5), (6), and (7), respec-
12 tively;

13 (2) by inserting after paragraph (2) the fol-
14 lowing new paragraph (3):

15 “(3) An agreement with an eligible entity under
16 subsection (a)(2) of this section may provide for the
17 management of natural resources and the contribu-
18 tion by the United States towards natural resource
19 management costs on any real property in which a
20 military department has acquired any right title or
21 interest in accordance with paragraph (1)(A) where
22 there is a demonstrated need to preserve or restore
23 habitat for purposes of subsection (a)(2).”; and

24 (3) in paragraph (4)(C), as redesignated by
25 paragraph (1), by striking “equal to the fair market

1 value” and all that follows through the period at the
2 end and inserting “equal to—

3 “(i) the fair market value of any prop-
4 erty or interest in property to be trans-
5 ferred to the United States upon the re-
6 quest of the Secretary concerned under
7 paragraph (5); or

8 “(ii) at the discretion of the Secretary
9 concerned, the cumulative fair market
10 value of all properties or interests to be
11 transferred to the United States under
12 paragraph (5) pursuant to an agreement
13 under subsection (a).”.

14 **SEC. 317. REIMBURSEMENT OF ENVIRONMENTAL PROTEC-**
15 **TION AGENCY FOR CERTAIN COSTS IN CON-**
16 **NECTION WITH MOSES LAKE WELLFIELD**
17 **SUPERFUND SITE, MOSES LAKE, WASH-**
18 **INGTON.**

19 From funds authorized to be appropriated by section
20 301(16) for Environmental Restoration, Defense-wide, the
21 Secretary of Defense may, notwithstanding section 2215
22 of title 10, United States Code, transfer not more than
23 \$91,588.51 to the Moses Lake Wellfield Superfund Site
24 10–6J Special Account to reimburse the Environmental
25 Protection Agency for costs incurred pursuant to a reme-

1 dial investigation/feasibility study performed by the De-
2 partment of the Army under the Defense Environmental
3 Restoration Program at the former Larson Air Force
4 Base, Moses Lake Superfund Site, Moses Lake, Wash-
5 ington, provided for in the interagency agreement entered
6 into by the Department of the Army and the Environ-
7 mental Protection Agency for the Moses Lake Wellfield
8 Superfund Site in March 1999.

9 **Subtitle C—Workplace and Depot**
10 **Issues**

11 **SEC. 321. MODIFICATION OF PROHIBITION ON CONTRACTS**
12 **FOR PERFORMANCE OF FIREFIGHTING OR**
13 **SECURITY-GUARD FUNCTIONS.**

14 Section 2465(b)(4) of title 10, United States Code,
15 is amended by inserting “or security-guard” after “fire-
16 fighting” both places it appears.

17 **SEC. 322. FLEXIBILITY IN USE OF LOW DENSITY/HIGH DE-**
18 **MAND MILITARY PERSONNEL.**

19 Paragraph (4) of section 2465(b) of title 10, United
20 States Code, is amended to read as follows:

21 “(4) A contract for the performance of security-
22 guard or firefighting functions that the Secretary of
23 Defense determines are, or otherwise would be, per-
24 formed by members of the armed forces.”.

1 **Subtitle D—Other Matters**

2 **SEC. 331. REIMBURSEMENT FOR NATIONAL GUARD MILI-**
3 **TARY SUPPORT TO CIVILIAN LAW ENFORCE-**
4 **MENT.**

5 Section 377 of title 10, United States Code, is
6 amended—

7 (1) in subsection (a), by striking “To” and in-
8 serting “Subject to subsection (c), to”;

9 (2) by redesignating subsection (b) as sub-
10 section (c);

11 (3) by inserting after subsection (a) the fol-
12 lowing new subsection (b):

13 “(b)(1) Subject to subsection (c), the Secretary of
14 Defense shall require a federal civilian law enforcement
15 agency to which support is provided by National Guard
16 personnel authorized to perform other duty under section
17 502(f) of title 32, to reimburse the Department of Defense
18 for the costs of that support, notwithstanding any other
19 provision of law. No other provision of this chapter shall
20 apply to such support.

21 “(2) Any funds received by the Department of De-
22 fense as reimbursement for support provided by units or
23 members of the National Guard under this subsection
24 shall be credited, at the option of the Secretary of Defense,
25 to:

1 “(A) the appropriation, fund, or account used
2 to fund the support; or

3 “(B) the appropriate appropriation, fund, or ac-
4 count currently available for such purpose.”; and

5 (4) in subsection (c), as redesignated by para-
6 graph (2)—

7 (A) in the matter preceding paragraph (1),
8 by inserting “or under section 502(f) of title
9 32” after “under this chapter”; and

10 (B) in paragraph (2), by inserting “or
11 units or members of the National Guard” after
12 “Department of Defense”.

13 **SEC. 332. EXTEND PERIOD TO TRANSFER FUNDS INTO THE**
14 **FOREIGN CURRENCY FLUCTUATIONS AC-**
15 **COUNT.**

16 Section 2779 of title 10, United States Code, is
17 amended—

18 (1) in subsection (a)(2), by striking “second”
19 and inserting “fifth”; and

20 (2) in subsection (d)(2), by striking “second”
21 and inserting “fifth”.

1 **SEC. 333. AVAILABILITY OF APPROPRIATIONS FOR UN-**
 2 **USUAL COST OVERRUNS AND FOR CHANGES**
 3 **IN SCOPE OF WORK FOR SHIP OVERHAUL,**
 4 **MAINTENANCE, AND REPAIR.**

5 (a) IN GENERAL.—Section 7313 of title 10, United
 6 States Code, is amended—

7 (1) in subsection (a), by striking “an industrial-
 8 fund activity” and inserting “a Center of Industrial
 9 and Technical Excellence”; and

10 (2) in subsection (b)(1)—

11 (A) by striking “for payments to an indus-
 12 trial-fund activity” and inserting “for costs in-
 13 curred by a Center of Industrial and Technical
 14 Excellence”; and

15 (B) by striking “the industrial-fund activ-
 16 ity” and inserting “the Center of Industrial and
 17 Technical Excellence”.

18 (b) CLERICAL AMENDMENT.—(1) Such section is fur-
 19 ther amended by amending the section heading to read
 20 as follows:

21 **“§ 7313. Availability of appropriations for unusual**
 22 **cost overruns and for changes in scope of**
 23 **work for ship overhaul, maintenance, and**
 24 **repair”;**

25 and

1 (2) The table of contents at the beginning of chapter
2 633 of such title is amended by striking the item relating
3 to section 7313 and inserting the following new item:

“7313. Availability of appropriations for unusual cost overruns and for changes
in scope of work for ship overhaul, maintenance, and repair.”.

4 **SEC. 334. REAUTHORIZATION OF AVIATION INSURANCE**
5 **PROGRAM.**

6 Section 44310 of title 49, United States Code, is
7 amended by striking “March 30, 2008” and inserting
8 “December 31, 2013”.

9 **SEC. 335. REASONABLE RESTRICTIONS ON THE PAYMENT**
10 **OF FULL REPLACEMENT VALUE FOR PER-**
11 **SONAL PROPERTY CLAIMS.**

12 Section 2636a(d) of title 10, United States Code, is
13 amended by adding at the end the following new sentence:
14 “The regulations may require members of the armed
15 forces or civilian employees of the Department of Defense
16 to comply with reasonable restrictions in order to receive
17 benefits under this section.”.

18 **TITLE IV—MILITARY**
19 **PERSONNEL AUTHORIZATIONS**
20 **Subtitle A—Active Forces**

21 **SEC. 401. END STRENGTHS FOR ACTIVE FORCES.**

22 The Armed Forces are authorized strengths for active
23 duty personnel as of September 30, 2008, as follows:

24 (1) The Army, 489,400.

1 (2) The Navy, 328,400.

2 (3) The Marine Corps, 180,000.

3 (4) The Air Force, 328,600.

4 **Subtitle B—Reserve Forces**

5 **SEC. 411. END STRENGTHS FOR SELECTED RESERVE.**

6 (a) IN GENERAL.—The Armed Forces are authorized
7 strengths for Selected Reserve personnel of the reserve
8 components as of September 30, 2008, as follows:

9 (1) The Army National Guard of the United
10 States, 351,300.

11 (2) The Army Reserve, 205,000.

12 (3) The Navy Reserve, 67,800.

13 (4) The Marine Corps Reserve, 39,600.

14 (5) The Air National Guard of the United
15 States, 106,700.

16 (6) The Air Force Reserve, 67,500.

17 (7) The Coast Guard Reserve, 10,000.

18 (b) ADJUSTMENTS.—The end strengths prescribed by
19 subsection (a) for the Selected Reserve of any reserve com-
20 ponent shall be proportionately reduced by—

21 (1) the total authorized strength of units orga-
22 nized to serve as units of the Selected Reserve of
23 such component which are on active duty (other
24 than for training) at the end of the fiscal year; and

1 (2) the total number of individual members not
2 in units organized to serve as units of the Selected
3 Reserve of such component who are on active duty
4 (other than for training or for unsatisfactory partici-
5 pation in training) without their consent at the end
6 of the fiscal year.

7 Whenever such units or such individual members are re-
8 leased from active duty during any fiscal year, the end
9 strength prescribed for such fiscal year for the Selected
10 Reserve of such reserve component shall be increased pro-
11 portionately by the total authorized strengths of such
12 units and by the total number of such individual members.

13 **SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE**
14 **DUTY IN SUPPORT OF THE RESERVES.**

15 Within the end strengths prescribed in section
16 411(a), the reserve components of the Armed Forces are
17 authorized, as of September 30, 2008, the following num-
18 ber of Reserves to be serving on full-time active duty or
19 full-time duty, in the case of members of the National
20 Guard, for the purpose of organizing, administering, re-
21 cruiting, instructing, or training the reserve components:

22 (1) The Army National Guard of the United
23 States, 29,204.

24 (2) The Army Reserve, 15,870.

25 (3) The Navy Reserve, 11,579.

1 (4) The Marine Corps Reserve, 2,261.

2 (5) The Air National Guard of the United
3 States, 13,936.

4 (6) The Air Force Reserve, 2,721.

5 **SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS**
6 **(DUAL STATUS).**

7 The minimum number of military technicians (dual
8 status) as of the last day of fiscal year 2008 for the re-
9 serve components of the Army and the Air Force (notwith-
10 standing section 129 of title 10, United States Code) shall
11 be the following:

12 (1) For the Army Reserve, 8,249.

13 (2) For the Army National Guard of the United
14 States, 26,502.

15 (3) For the Air Force Reserve, 9,909.

16 (4) For the Air National Guard of the United
17 States, 22,553.

18 **SEC. 414. FISCAL YEAR 2008 LIMITATION ON NUMBER OF**
19 **NON-DUAL STATUS TECHNICIANS.**

20 (a) LIMITATIONS.—

21 (1) NATIONAL GUARD.—Within the limitation
22 provided in section 10217(c)(2) of title 10, United
23 States Code, the number of non-dual status techni-
24 cians employed by the National Guard as of Sep-
25 tember 30, 2008, may not exceed the following:

1 (A) For the Army National Guard of the
2 United States, 1,600.

3 (B) For the Air National Guard of the
4 United States, 350.

5 (2) ARMY RESERVE.—The number of non-dual
6 status technicians employed by the Army Reserve as
7 of September 30, 2008, may not exceed 595.

8 (3) AIR FORCE RESERVE.—The number of non-
9 dual status technicians employed by the Air Force
10 Reserve as of September 30, 2008, may not exceed
11 90.

12 (b) NON-DUAL STATUS TECHNICIANS DEFINED.—In
13 this section, the term “non-dual status technician” has the
14 meaning given that term in section 10217(a) of title 10,
15 United States Code.

16 **SEC. 415. MAXIMUM NUMBER OF RESERVE PERSONNEL AU-**
17 **THORIZED TO BE ON ACTIVE DUTY FOR**
18 **OPERATIONAL SUPPORT.**

19 During fiscal year 2008, the maximum number of
20 members of the reserve components of the Armed Forces
21 who may be serving at any time on full-time operational
22 support duty under section 115(b) of title 10, United
23 States Code, is the following:

24 (1) The Army National Guard of the United
25 States, 17,000.

1 (2) The Army Reserve, 13,000.

2 (3) The Navy Reserve, 6,200.

3 (4) The Marine Corps Reserve, 3,000.

4 (5) The Air National Guard of the United
5 States, 16,000.

6 (6) The Air Force Reserve, 14,000.

7 **Subtitle C—Authorization of**
8 **Appropriations**

9 **SEC. 421. MILITARY PERSONNEL.**

10 This section would authorize \$105,403,698,000 to be
11 appropriated for military personnel.

12 **SEC. 422. ARMED FORCES RETIREMENT HOME.**

13 There is hereby authorized to be appropriated for fis-
14 cal year 2008 for the Armed Forces Retirement Home the
15 sum of \$61,624,000 for the operation of the Armed Forces
16 Retirement Home, including the United States Soldiers'
17 and Airmens' Home and the Naval Home.

1 **TITLE V—MILITARY PERSONNEL**
 2 **POLICY**
 3 **Subtitle A—Officer Personnel**
 4 **Policy**

5 **SEC. 501. INCREASE IN AUTHORIZED STRENGTHS FOR**
 6 **ARMY OFFICERS ON ACTIVE DUTY IN THE**
 7 **GRADE OF MAJOR TO MEET NEW FORCE**
 8 **STRUCTURE REQUIREMENTS.**

9 The table in section 523(a)(1) of title 10, United
 10 States Code, is amended by striking the figures under the
 11 heading “Major” in the portion of the table relating to
 12 the Army and inserting the following:

“7,768
 8,689
 9,611
 10,532
 11,454
 12,375
 13,297
 14,218
 15,140
 16,061
 16,983
 17,903
 18,825
 19,746
 20,668
 21,589
 22,511
 24,354
 26,197
 28,040
 35,412”.

1 **SEC. 502. INCREASE IN AUTHORIZED STRENGTHS FOR**
 2 **NAVY OFFICERS ON ACTIVE DUTY IN THE**
 3 **GRADES OF LIEUTENANT COMMANDER, COM-**
 4 **MANDER, AND CAPTAIN TO MEET NEW FORCE**
 5 **STRUCTURE REQUIREMENTS.**

6 The table in section 523(a)(2) of title 10, United
 7 States Code, is amended by striking the figures under the
 8 headings “Lieutenant Commander,” “Commander”, and
 9 “Captain” and inserting the following:

“7,698	5,269	2,222
8,189	5,501	2,334
8,680	5,733	2,447
9,172	5,965	2,559
9,663	6,197	2,671
10,155	6,429	2,784
10,646	6,660	2,896
11,136	6,889	3,007
11,628	7,121	3,120
12,118	7,352	3,232
12,609	7,583	3,344
13,100	7,813	3,457
13,591	8,044	3,568
14,245	8,352	3,718
17,517	9,890	4,467”.

10 **SEC. 503. ENHANCED AUTHORITY FOR RESERVE GENERAL**
 11 **AND FLAG OFFICERS TO SERVE ON ACTIVE**
 12 **DUTY.**

13 Section 526(d) of title 10, United States Code, is
 14 amended to read as follows:

15 “(d) EXCLUSION OF CERTAIN OFFICERS.—(1) The
 16 limitations of this section do not apply to a reserve compo-
 17 nent general or flag officer who is—

18 “(A) on active duty for training; or

1 “(B) on active duty under a call or order speci-
2 fying a period of less than 180 days.

3 “(2) Notwithstanding the limitation in paragraph
4 (1)(B), the Secretary concerned may authorize not more
5 than ten percent of the number of officers authorized
6 under section 12004 of this title to serve for a period not
7 to exceed 365 days. In determining the maximum number
8 of officers that may serve on active duty at any one time
9 under this paragraph, any fraction shall be rounded down
10 to the next whole number, and at least one officer per
11 service will be authorized under this section.”.

12 **SEC. 504. REENLISTMENT OF OFFICERS IN THEIR FORMER**
13 **ENLISTED GRADE.**

14 (a) **REGULAR ARMY.**—Section 3258 of title 10,
15 United States Code, is amended—

16 (1) in subsection (a)—

17 (A) by striking “a Reserve” and inserting
18 “an”; and

19 (B) by striking “a temporary” and insert-
20 ing “an”; and

21 (2) in subsection (b)—

22 (A) in paragraph (1), by striking “a Re-
23 serve” and inserting “an”; and

24 (B) in paragraph (2), by striking “Re-
25 serve”.

1 (b) REGULAR AIR FORCE.—Section 8258 of such
2 title is amended—

3 (1) in subsection (a)—

4 (A) by striking “a reserve” and inserting
5 “an”; and

6 (B) by striking “a temporary” and insert-
7 ing “an”; and

8 (2) in subsection (b)—

9 (A) in paragraph (1), by striking “a Re-
10 serve” and inserting “an”; and

11 (B) in paragraph (2), by striking “Re-
12 serve”.

13 **SEC. 505. DISCHARGE OF PROBATIONARY OFFICERS AND**
14 **FORCE SHAPING AUTHORITY.**

15 (a) ACTIVE-DUTY LIST OFFICERS: YEARS OF ACTIVE
16 COMMISSIONED SERVICE.—Section 630(1)(A) of title 10,
17 United States Code, is amended by striking “five” and
18 inserting “six”.

19 (b) OFFICER FORCE SHAPING AUTHORITY.—Section
20 647(b)(1) of such title is amended by striking “5” both
21 places it appears and inserting “6”.

22 (c) RESERVE OFFICERS: YEARS OF ACTIVE COMMIS-
23 SIONED SERVICE.—Section 14503(a)(1) of such title is
24 amended by striking “five” and inserting “six”.

1 **SEC. 506. ADDITION OF ALL NAVY PERMANENT MILITARY**
 2 **PROFESSORS TO THE LIST OF EXEMPTIONS**
 3 **TO DOPMA AUTHORIZED GRADE LIMITA-**
 4 **TIONS.**

5 Section 523(b)(8) of title 10, United States Code, is
 6 amended by inserting before the period at the end the fol-
 7 lowing: “, and career military professors (as defined in
 8 regulations prescribed by the Secretary of the Navy) of
 9 the Naval War College, the Naval Postgraduate School,
 10 and any other graduate-level institution established to pro-
 11 vide advanced education to members of the Navy and Ma-
 12 rine Corps, but not to exceed 35 in addition to those serv-
 13 ing at the Naval Academy”.

14 **SEC. 507. MANDATORY SEPARATION OF RESERVE OFFI-**
 15 **CERS IN THE GRADE OF LIEUTENANT GEN-**
 16 **ERAL OR VICE ADMIRAL.**

17 Section 14508 of title 10, United States Code, is
 18 amended—

19 (1) by redesignating subsections (c), (d) and (e)
 20 as subsections (d), (e) and (f), respectively; and

21 (2) by inserting after subsection (b) the fol-
 22 lowing new subsection (c):

23 “(c) **THIRTY-EIGHT YEARS OF SERVICE FOR LIEU-**
 24 **TENANT GENERALS AND VICE ADMIRALS.**—Unless re-
 25 tired, transferred to the Retired Reserve, or discharged
 26 at an earlier date, each reserve officer of the Army, Air

1 Force, or Marine Corps in the grade of lieutenant general
2 and each reserve officer of the Navy in the grade of vice
3 admiral shall, 30 days after completion of 38 years of com-
4 missioned service, be separated in accordance with section
5 14514 of this title.”.

6 **SEC. 508. ADJUSTMENTS IN PAYMENT OF CONTINUATION**
7 **OF PAY IN DISABILITY CLAIMS.**

8 (a) TIME OF ACCRUAL OF RIGHT.—The text of sec-
9 tion 8117 of title 5, United States Code, is amended to
10 read as follows:

11 “(a) An employee is not entitled to compensation or
12 continuation of pay within the meaning of section 8118
13 of this title for the first 3 days of temporary disability,
14 except—

15 “(1) when the disability exceeds 14 days; or

16 “(2) as provided by sections 8103 and 8104 of
17 this title.

18 “(b) An employee may use annual leave, sick leave,
19 or leave without pay during the three-day waiting period
20 provided under subsection (a). If the disability exceeds 14
21 days, the employee may have their sick leave or annual
22 leave reinstated or receive pay for the time spent on leave
23 without pay under this section.”.

24 (b) CONTINUATION OF PAY.—Section 8118 of such
25 title is amended—

1 (1) in subsection (b)(1), by inserting “, except
2 as provided under section 8117,” after “time”; and

3 (2) by striking subsection (c) and redesignating
4 subsections (d) and (e) as subsections (c) and (d),
5 respectively.

6 (c) SUBROGATION OF THE UNITED STATES.—Sec-
7 tion 8131 of such title is amended—

8 (1) in subsection (a), by inserting “continuation
9 of pay or” after “which” in the matter preceding
10 paragraph (1); and

11 (2) in subsection (c), by inserting “continuation
12 of pay or” after “the amount of”.

13 (d) ADJUSTMENT AFTER RECOVERY FROM A THIRD
14 PERSON.—Section 8132 of such title is amended—

15 (1) in the first sentence—

16 (A) by inserting “continuation of pay or”
17 after “for which”;

18 (B) by inserting “continuation of pay or”
19 after “entitled to”; and

20 (C) by inserting “continuation of pay and”
21 after “amount of”; and

22 (2) by amending the fourth sentence to read as
23 follows: “If continuation of pay or compensation has
24 not been paid to the beneficiary, the money or prop-
25 erty shall be credited against continuation of pay or

1 compensation payable to him by the United States
2 for the same injury.”.

3 **SEC. 509. TEMPORARY SUSPENSION OF ELIGIBILITY FOR**
4 **EDUCATION BENEFIT.**

5 Section 16165(b) of title 10, United States Code, is
6 amended to read as follows:

7 “(b) EXCEPTION.—Under regulations prescribed by
8 the Secretary of Defense, a member of the Selected Re-
9 serve of the Ready Reserve who incurs a break in Selected
10 Reserve service, but remains in the Individual Ready Re-
11 serve or Inactive National Guard during such break, may
12 continue to receive educational assistance under this chap-
13 ter for up to 90 days during such break. However, eligi-
14 bility for educational assistance shall be suspended after
15 the 90th day of such break until the member returns to
16 service in the Selected Reserve.”.

17 **SEC. 510. INCREASED TENURE FOR GENERAL AND FLAG**
18 **OFFICERS.**

19 (a) IN GENERAL.—Sections 636 of title 10, United
20 States Code, is amended—

21 (1) by striking subsections (b) and (c); and

22 (2) by inserting after subsection (a) the fol-
23 lowing new subsection (b):

1 “(b) EXCEPTION.—Officers serving above the grade
2 of major general or rear admiral may continue to serve
3 without regard to years of service.”.

4 (b) CONFORMING AMENDMENTS.—

5 (1) Subsection (a) of such section is amended
6 by striking “or (c)”.

7 (2) Section 637(b) of such title is amended by
8 striking the last sentence in paragraph (2).

9 (3) Section 14508 of such title is amended—

10 (A) by redesignating subsections (c), (d),
11 and (e) as subsections (d), (e), and (f), respec-
12 tively; and

13 (B) by inserting after subsection (b) the
14 following new subsection (c):

15 “(c) OFFICERS SERVING ABOVE THE GRADE OF
16 MAJOR GENERAL OR REAR ADMIRAL.—Officers serving
17 above the grade of major general or rear admiral may con-
18 tinue to serve without regard to years of service.”.

19 **SEC. 511. AMENDMENT OF YEARS OF SERVICE PROVISION**
20 **TO CONFORM WITH EXTENDED MANDATORY**
21 **RETIREMENT AGE FOR ACTIVE-DUTY GEN-**
22 **ERAL AND FLAG OFFICERS.**

23 Section 637(b)(3) of title 10, United States Code, is
24 amended by striking “but such period may not (except as
25 provided under section 1251(b) of this title) extend beyond

1 the date of the officer's sixty-second birthday" and insert-
2 ing "except as provided under section 1253 of this title".

3 **Subtitle B—Reserve Component**
4 **Matters**

5 **SEC. 521. DUTY OF REGULAR MEMBERS OF THE ARMY AND**
6 **AIR FORCE WITH THE NATIONAL GUARD.**

7 Section 315 of title 32, United States Code, is
8 amended by adding at the end the following new sub-
9 section:

10 "(c) A commissioned officer or enlisted member of
11 the Regular Army or Regular Air Force detailed, without
12 vacating his or her regular appointment, to duty with the
13 Army National Guard or the Air National Guard of a
14 State, the Commonwealth of Puerto Rico, Guam, the Vir-
15 gin Islands, or the District of Columbia, may perform any
16 duty authorized to be performed by the laws of the appli-
17 cable State, the Commonwealth of Puerto Rico, Guam, the
18 Virgin Islands, or the District of Columbia, as appro-
19 priate, without regard to the limitations imposed by sec-
20 tion 1385 of title 18."

21 **SEC. 522. ENFORCEMENT OF VOLUNTARY SERVICE AGREE-**
22 **MENTS.**

23 Section 12301(d) of title 10, United States Code, is
24 amended by adding at the end the following new sentence:
25 "When a member has entered into a written service agree-

1 ment (other than an agreement under section 12311 of
2 this title) with the Secretary concerned specifying a period
3 or periods of active duty to be performed for a particular
4 mission or requirement, and in the case of a member of
5 the Army National Guard of the United States or the Air
6 National Guard of the United States with the consent of
7 the Governor or other appropriate authority of the State
8 concerned, the member may not withdraw his consent, un-
9 less agreed to by the Secretary, and the Secretary may
10 order the member to active duty in accordance with the
11 terms of the service agreement.”.

12 **SEC. 523. BENEFITS FOR CERTAIN NATIONAL GUARD DUTY.**

13 Section 12602 of title 10, United States Code, is
14 amended—

15 (1) in subsection (a)—

16 (A) by striking “and” at the end of para-
17 graph (2);

18 (B) by striking the period at the end of
19 paragraph (3) and inserting “; and”; and

20 (C) by adding at the end the following new
21 paragraph:

22 “(4) duty performed by a member of the Army
23 National Guard of the United States in his status as
24 a member of the Army National Guard under sec-
25 tion 502(f) of title 32 at the request of the President

1 or the Secretary of Defense shall be considered ac-
2 tive duty in Federal service as a Reserve of the
3 Army for the purposes of providing benefits that are
4 provided to Reserve component members performing
5 duty pursuant to an order to active duty under a
6 provision of law referred to in section 101(a)(13)(B)
7 of this title.”; and

8 (2) in subsection (b)—

9 (A) by striking “and” at the end of para-
10 graph (2);

11 (B) by striking the period at the end of
12 paragraph (3) and inserting “; and”; and

13 (C) by adding at the end the following new
14 paragraph:

15 “(4) duty performed by a member of the Air
16 National Guard of the United States in his status as
17 a member of the Air National Guard under section
18 502(f) of title 32 at the request of the President or
19 the Secretary of Defense shall be considered active
20 duty in Federal service as a Reserve of the Air
21 Force for the purposes of providing benefits that are
22 provided to Reserve component members performing
23 duty pursuant to an order to active duty under a
24 provision of law referred to in section 101(a)(13)(B)
25 of this title.”.

1 **SEC. 524. CONTINUED SERVICE WITHIN TWO YEARS OF RE-**
2 **TIREMENT ELIGIBILITY.**

3 Section 12686(b) of title 10, United States Code, is
4 amended to read as follows:

5 “(b) WAIVER.—With respect to a member of a re-
6 serve component who is to be ordered to active duty (other
7 than for training) under section 12301 of this title pursu-
8 ant to an order to active duty for a single period or mul-
9 tiple periods and who (but for this subsection) would be
10 covered by subsection (a), the Secretary concerned may
11 require, as a condition of such order or multiple orders
12 to active duty, that the member waive the applicability of
13 subsection (a) to the member for the period or periods
14 of active duty covered by that order and may include sub-
15 sequent orders. In carrying out this subsection, the Sec-
16 retary concerned may require that a waiver under the pre-
17 ceding sentence be executed before the period of active
18 duty begins. At anytime before commencing a period of
19 active duty covered by such a waiver, the member may
20 withdraw consent to waive the applicability of subsection
21 (a).”.

1 **SEC. 525. INCREASE IN THE PERIOD OF TEMPORARY FED-**
 2 **ERAL RECOGNITION FROM SIX TO TWELVE**
 3 **MONTHS.**

4 Section 308(a) of title 32, United States Code, is
 5 amended by striking “six months” and inserting “twelve
 6 months”.

7 **SEC. 526. NUCLEAR OFFICER INCENTIVE PAY: CONTINU-**
 8 **ATION PAY ELIGIBILITY.**

9 Section 312 of title 37, United States Code, is
 10 amended—

11 (1) in subsection (a)(3), by striking “26” and
 12 inserting “30”; and

13 (2) in subsection (e)(1), by striking “26” and
 14 inserting “30”.

15 **Subtitle C—Education and**
 16 **Training**

17 **SEC. 531. ISSUE OF SERVICEABLE MATERIAL OTHER THAN**
 18 **TO ARMED FORCES.**

19 (a) IN GENERAL.—Part IV of subtitle C of title 10,
 20 United States Code, is amended by adding at the end the
 21 following new chapter:

22 **“CHAPTER 667—ISSUE OF SERVICEABLE**
 23 **MATERIAL OTHER THAN TO ARMED**
 24 **FORCES**

“Sec.

“7911. Arms, tentage, and equipment: educational institutions not maintaining units of ROTC.

“7912. Rifles and ammunition for target practice: educational institutions having corps of cadets.

“7913. Supplies; military instruction camps.

1 **“§ 7911. Arms, tentage, and equipment: educational**
 2 **institutions not maintaining units of**
 3 **ROTC**

4 “Under such conditions as he may prescribe, the Sec-
 5 retary of the Navy may issue arms, tentage, and equip-
 6 ment that he considers necessary for proper military train-
 7 ing, to any educational institution at which no unit of the
 8 Reserve Officers’ Training Corps is maintained, but which
 9 has a course in military training prescribed by the Sec-
 10 retary and which has at least 50 physically fit students
 11 over 14 years of age.

12 **“§ 7912. Rifles and ammunition for target practice:**
 13 **educational institutions having corps of**
 14 **cadets**

15 “(a) AUTHORITY TO LEND.—The Secretary of the
 16 Navy may lend, without expense to the United States,
 17 magazine rifles and appendages, that are not of the exist-
 18 ing service models in use at the time and that are not
 19 necessary for a proper reserve supply, to any educational
 20 institution having a uniformed corps of cadets of sufficient
 21 number for target practice. He also may issue 40 rounds
 22 of ball cartridges for each cadet for each range at which
 23 target practice is held, but not more than 120 rounds each
 24 year for each cadet participating in target practice.

1 “(b) RESPONSIBILITIES OF INSTITUTIONS.—The in-
2 stitutions to which property is lent under subsection (a)
3 shall—

4 “(1) use the property for target practice;

5 “(2) take proper care of the property; and

6 “(3) return the property when required.

7 “(c) REGULATIONS.—The Secretary shall prescribe
8 regulations to carry out this section, containing such other
9 requirements as he considers necessary to safeguard the
10 interests of the United States.

11 **“§ 7913. Supplies: military instruction camps**

12 “Under such conditions as he may prescribe, the Sec-
13 retary of the Navy may issue, to any educational institu-
14 tion at which an officer of the naval service is detailed
15 as professor of naval science, such supplies as are nec-
16 essary to establish and maintain a camp for the military
17 instruction of its students. The Secretary shall require a
18 bond in the value of the property issued under this section,
19 for the care and safekeeping of that property and, except
20 for property properly expended, for its return when re-
21 quired.”

22 (b) CLERICAL AMENDMENT.—The table of chapters
23 for part IV of such title is amended by adding at the end
24 the following new item:

“667. Issue of Serviceable Material Other than to Armed Forces 7910.”.

1 **SEC. 532. AUTHORITY FOR PERMANENT PROFESSORS AT**
 2 **THE SERVICE MILITARY ACADEMIES OR MILI-**
 3 **TARY GRADUATE SCHOOLS TO SIT AS MEM-**
 4 **BERS OF PROMOTION BOARDS.**

5 Section 612(a)(1) of title 10, United States Code is
 6 amended by inserting after “active-duty list” the fol-
 7 lowing: “or a permanent professor at the United States
 8 Military Academy or the United States Air Force Acad-
 9 emy or the United States Naval Academy (as defined in
 10 regulations prescribed by the Secretary of the Navy), or
 11 career military professors from any graduate-level institu-
 12 tion established to provide advanced education to members
 13 of the Army, Navy , Marine Corps or Air Force”.

14 **SEC. 533. CAREER MILITARY PROFESSORS OF THE NAVY:**
 15 **PROMOTIONS.**

16 (a) PERMANENT PROFESSORS: UNITED STATES
 17 NAVY.—Section 641(2) of title 10, United States Code,
 18 is amended to read as follows:

19 “(2) The director of admissions, dean, and per-
 20 manent professors at the United States Military
 21 Academy, the registrar, dean, and permanent profes-
 22 sors at the United States Air Force Academy, per-
 23 manent professors (as defined in regulations pre-

1 scribed by the Secretary of the Navy) at the United
2 States Naval Academy, and career military profes-
3 sors (as defined in regulations prescribed by the Sec-
4 retary of the Navy) of the Naval War College, the
5 Naval Postgraduate School, and any other graduate-
6 level institution established to provide advanced edu-
7 cation to members of the Navy and Marine Corps.”.

8 (b) PROMOTIONS.—(1) Chapter 603 of such title is
9 amended by inserting after section 6970 the following new
10 section:

11 **“§ 6970a. Permanent professors: promotion**

12 “An officer serving as a permanent professor at the
13 Naval Academy (as defined in regulations prescribed by
14 the Secretary of the Navy) or career military professors
15 (as defined in regulations prescribed by the Secretary of
16 the Navy) of the Naval War College, the Naval Post-
17 graduate School, and any other graduate-level institution
18 established to provide advanced education to members of
19 the Navy and Marine Corps in the grade of commander
20 or lieutenant colonel may be recommended for promotion
21 to the grade of captain or colonel under regulations pre-
22 scribed by the Secretary of the Navy, such promotion to
23 be effective no earlier than six years after selection as a
24 permanent professor or career military professor. An offi-
25 cer so recommended shall be promoted by appointment to

1 the higher grade by the President, by and with the advice
2 and consent of the Senate.”.

3 (2) The table of sections at the beginning of
4 such chapter is amended by inserting after the item
5 relating to section 6970 the following new item:

“6970a. Permanent professors: promotion.”.

6 **Subtitle D—General Service**
7 **Authorities**

8 **SEC. 541. SHORTEN EIGHT YEAR MANDATORY SERVICE OB-**
9 **LIGATION FOR QUALIFIED HEALTH PROFES-**
10 **SIONALS IN CRITICAL SPECIALTIES.**

11 Section 651 of title 10, United States Code, is
12 amended by adding at the end the following new sub-
13 section:

14 “(c) The Secretary of Defense may waive the required
15 service provisions of subsection (a) for initial appoint-
16 ments of commissioned officers in critically short health
17 professional specialties, as determined by the Secretary of
18 Defense. However, no such waiver shall reduce the period
19 of obligated service to a period of less than two years, and
20 no waiver can reduce the period of obligated service below
21 the period for which an individual accepted an accession
22 bonus or Multiyear Special Pay contract.”.

1 **SEC. 542. REINSTATEMENT OF ENHANCED AUTHORITY FOR**
2 **SELECTIVE EARLY RETIREMENT.**

3 (a) ENHANCED AUTHORITY FOR SELECTIVE EARLY
4 RETIREMENT.—Section 638a of title 10, United States
5 Code, is amended—

6 (1) in subsection (a)—

7 (A) by striking “October 1, 1990” and in-
8 serting “October 1, 2007”; and

9 (B) by striking “December 31, 2001” and
10 inserting “December 31, 2012”; and

11 (2) in subsection (c)(1), by inserting before the
12 period at the end of the second sentence the fol-
13 lowing: “; provided, however, that from October 1,
14 2007 through December 31, 2012, such number
15 may be more than 30 percent of the number of offi-
16 cers considered in each competitive category, but
17 may not be more than 30 percent of the number of
18 officers considered in each grade”.

19 (b) EFFECTIVE DATE.—The amendments made by
20 subsection (a) shall apply with respect to agreements en-
21 tered into under section 1175a of title 10, United States
22 Code, on or after the date of the enactment of this Act.

1 **Subtitle E—Military Justice**
 2 **Matters**

3 **SEC. 551. PERMIT SECRETARY TO DESIGNATE PERSONS EL-**
 4 **IGIBLE FOR LEGAL ASSISTANCE.**

5 Section 1044(a) of title 10, United States Code, is
 6 amended by adding at the end the following new para-
 7 graph:

8 “(6) Other persons designated in regulations
 9 prescribed by the Secretary concerned.”.

10 **Subtitle F—Defense Dependents**
 11 **Education System**

12 **SEC. 561. PRIVATE TUITION FOR MILITARY DEPENDENTS**
 13 **IN REMOTE OVERSEAS AREAS.**

14 Section 1407(b)(1) of the Defense Dependents’ Edu-
 15 cation Act of 1978 (20 U.S.C. 926(b)(1)) is amended by
 16 inserting “, including private boarding school schools in
 17 the U.S.,” in the first sentence after “subsection (a)”.

18 **Subtitle G—Other Matters**

19 **SEC. 571. ELIMINATION OF ANNUAL LIMIT ON NUMBER OF**
 20 **ROTC SCHOLARSHIPS UNDER ARMY RESERVE**
 21 **AND NATIONAL GUARD PROGRAM.**

22 Subsection (h) of section 2107a of title 10, United
 23 States Code, is amended by striking “not more than 416
 24 cadets each year under this section, to include” and insert-
 25 ing “each year under this section”.

1 **SEC. 572. CREATION OF UNIFORM MILITARY BAND PER-**
 2 **FORMANCE AUTHORITY; CLARIFICATION OF**
 3 **CIRCUMSTANCES THAT CREATE COMPETI-**
 4 **TION WITH LOCAL CIVILIAN MUSICIANS.**

5 (a) IN GENERAL.—Chapter 49 of title 10, United
 6 States Code, is amended by adding at the end the fol-
 7 lowing new section:

8 **“§ 988. Uniform military band performance authority**

9 “(a) DEPARTMENT OF DEFENSE BANDS.—Depart-
 10 ment of Defense bands, ensembles, choruses, or similar
 11 musical units, including individual members thereof per-
 12 forming in an official capacity, shall not perform music
 13 in competition with local civilian musicians or receive re-
 14 munerations for official performances.

15 “(b) DEFINITION.—As used in this section, the term
 16 ‘perform music in competition with local civilian musi-
 17 cians’—

18 “(1) includes, but is not limited to, perform-
 19 ances—

20 “(A) that are more than incidental to
 21 events that are not supported solely by appro-
 22 priated funds and are not free to the public;
 23 and

24 “(B) of background, dinner, dance, or
 25 other social music at events, regardless of loca-

1 tion, that are not supported solely by appro-
2 priated funds; but

3 “(2) does not include performances—

4 “(A) at official Federal Government events
5 that are supported solely by appropriated funds;

6 “(B) at concerts, parades, and other events
7 that are patriotic events or celebrations of na-
8 tional holidays and are free to the public; or

9 “(C) that are incidental, including short
10 performances of military or patriotic music to
11 open or close events, to events that are not sup-
12 ported solely by appropriated funds, in compli-
13 ance with applicable rules and regulations.

14 “(c) MEMBERS OF DEPARTMENT OF DEFENSE
15 BANDS.—Members of Department of Defense bands, en-
16 sembles, choruses, or similar musical units may perform
17 music in their personal capacity, as individuals or part of
18 a group, for remuneration or otherwise, when not wearing
19 a military uniform, not identifying themselves as members
20 of the Department of Defense, and in compliance with all
21 applicable regulations and standards of conduct.

22 “(d) RECORDINGS.—Department of Defense bands,
23 ensembles, choruses, or similar musical units, when au-
24 thorized pursuant to Department of Defense regulation,
25 may produce recordings for distribution to the public at

1 a cost not to exceed production and distribution expenses,
 2 and payments from such recordings shall be credited back
 3 to the appropriation enabling such expenses.”.

4 (b) CLERICAL AND CONFORMING AMENDMENTS.—

5 (1) The table of sections at the beginning of such chapter
 6 is amended by adding at the end the following new item:

“988. Uniform military band performance authority.”.

7 (2) Sections 3634, 6223, and 8634 of such title are
 8 repealed.

9 **SEC. 573. RECOVERY OF MISSING MILITARY PROPERTY BY**
 10 **THE NAVY AND MARINE CORPS.**

11 (a) IN GENERAL.—Chapter 661 of title 10, United
 12 States Code, is amended by adding at the end the fol-
 13 lowing new sections:

14 **“§ 7864. Property accountability: regulations**

15 “The Secretary of the Navy may prescribe regula-
 16 tions for the accounting for Navy and Marine Corps prop-
 17 erty and the fixing of responsibility for that property.

18 **“§ 7865. Individual equipment: unauthorized disposi-**
 19 **tion**

20 “(a) PROHIBITION.—No member of the Navy or the
 21 Marine Corps may sell, lend, pledge, barter, or give any
 22 clothing, arms, or equipment furnished him by the United
 23 States to any person other than a member of the Navy
 24 or the Marine Corps, or an officer of the United States,
 25 authorized to receive it.

1 “(b) SEIZURE OF PROPERTY.—If a member of the
 2 Navy or the Marine Corps has disposed of property in vio-
 3 lation of subsection (a) and it is in the possession of a
 4 person who is neither a member of the Navy or the Marine
 5 Corps, nor an officer of the United States, authorized to
 6 receive it, that person has no right to or interest in the
 7 property, and any civil or military officer of the United
 8 States may seize it, wherever found. Possession of such
 9 property furnished by the United States to a member of
 10 the Navy or the Marine Corps, by a person who is neither
 11 a member of the Navy or the Marine Corps, nor an officer
 12 of the United States, is prima facie evidence that it has
 13 been disposed of in violation of subsection (a).

14 “(c) RETENTION OF SEIZED PROPERTY.—If an offi-
 15 cer who seizes property under subsection (b) is not author-
 16 ized to retain it for the United States, he shall deliver it
 17 to a person who is authorized to retain it.”.

18 (b) CLERICAL AMENDMENTS.—The table of sections
 19 at the beginning of such chapter is amended by adding
 20 at the end the following new items:

“7864. Property accountability; regulations.

“7865. Individual equipment; unauthorized disposition.”.

21 **SEC. 574. FLEXIBLE MANAGEMENT OF DEPLOYMENTS OF**
 22 **MEMBERS.**

23 (a) IN GENERAL.—Section 991 of title 10, United
 24 States Code, is amended—

1 (1) by amending subsection (a) to read as fol-
2 lows:

3 “(a) MANAGEMENT RESPONSIBILITIES.—(1) The
4 Secretary concerned shall prescribe regulations to manage
5 the deployment of a member of the armed forces in his
6 military department to ensure that the member is not de-
7 ployed, or continued in a deployment, beyond prescribed
8 high-deployment thresholds for the consecutive days for
9 which the member may be deployed and the total number
10 of days on which the member has been deployed out of
11 the preceding 730 days. The regulations shall—

12 “(A) specify the high-deployment thresholds;

13 “(B) establish procedures to ensure that mem-
14 bers are aware of their deployment days; and

15 “(C) specify the approval process which must
16 take place before a member may be deployed, or con-
17 tinued in a deployment, beyond the high-deployment
18 thresholds.

19 “(2) The Secretary of Defense shall approve—

20 “(A) the high-deployment thresholds for the
21 military departments; and

22 “(B) the procedures for the payment of hard-
23 ship duty pay under section 305 of title 37 for those
24 members of the armed forces who experience hard-

1 ship duty by being deployed in excess of approved
2 high-deployment thresholds.”;

3 (2) in subsection (b)—

4 (A) in paragraph (1)—

5 (i) by striking “a training exercise or”
6 and inserting “an”; and

7 (ii) by inserting “as designated by the
8 Secretary concerned” after “cir-
9 cumstances”;

10 (B) in paragraph (3)—

11 (i) by striking “or” at the end of sub-
12 paragraph (B);

13 (ii) by striking the period at the end
14 of subparagraph (C) and inserting a semi-
15 colon; and

16 (iii) by adding at the end the fol-
17 lowing new subparagraphs:

18 “(D) performing non-operational tem-
19 porary duty including conferences and semi-
20 nars; or

21 “(E) participating in training or exercises
22 as designated by the Secretary concerned.”; and

23 (C) in paragraph (4)—

24 (i) in the first sentence—

1 (I) by striking “The Secretary of
2 Defense” and inserting “The Sec-
3 retary concerned”; and

4 (II) by inserting “with the ap-
5 proval of the Secretary of Defense”
6 after “(2)”; and

7 (ii) by striking the second sentence;

8 (3) by striking subsection (d); and

9 (4) by redesignating subsection (e) as sub-
10 section (d).

11 (b) REPEAL OF HIGH DEPLOYMENT ALLOWANCE
12 AND STRENGTHENING OF HARDSHIP DUTY PAY.—

13 (1) Section 436 of title 37, United States Code,
14 is repealed.

15 (2) The text of section 305 of such title is
16 amended to read as follows:

17 “(a) AUTHORITY.—A member of a uniformed service
18 who is entitled to basic pay may be paid special pay under
19 this section while the member is performing duty in the
20 United States or outside the United States that is des-
21 ignated by the Secretary of Defense as hardship duty.
22 Special pay payable under this section may be paid on a
23 monthly basis or in a lump sum.

24 “(b) WRITTEN AGREEMENT.—The Secretary con-
25 cerned shall require a member performing service in an

1 assignment designated under subsection (a) to enter into
2 a written agreement with the Secretary in order to qualify
3 for the payment of special pay on a lump sum basis under
4 this section. The written agreement shall specify the pe-
5 riod for which the special pay will be paid to the member
6 and, subject to subsection (c), the amount of the lump
7 sum of the special pay.

8 “(c) MAXIMUM RATE OR AMOUNT.—(1) The max-
9 imum monthly rate of special pay payable to a member
10 on a monthly basis under this section is \$1,500.

11 “(2) The amount of the lump sum payment of special
12 pay payable to a member on a lump sum basis under this
13 section may not exceed an amount equal to the product
14 of—

15 “(A) the maximum monthly rate authorized
16 under paragraph (1) at the time of the written
17 agreement of the member under subsection (b); and

18 “(B) the number of months in the period for
19 which hardship duty pay will be paid pursuant to
20 the agreement.

21 “(3) If a member extends an assignment specified in
22 an agreement with the Secretary under subsection (b),
23 special pay for the period of the extension may be paid
24 under this section on a monthly basis or in a lump sum
25 in accordance with this section.

1 ber of the Individual Ready Reserve may be paid a stipend
2 for participation in the screening performed pursuant to
3 section 10149 of title 10, in lieu of muster duty performed
4 under section 12319 of title 10, when such participation
5 is conducted through electronic means.

6 “(b) MAXIMUM PAYMENT.—The amount of the sti-
7 pend under this section shall not exceed \$50 in any cal-
8 endar year.

9 “(c) BAR TO RETIREMENT CREDIT.—Participation
10 in the screening under this section shall not be credited
11 in determining entitlement to, or in computing, retired pay
12 under chapter 1223 of title 10.

13 “(d) PAYMENT REQUIREMENTS.—(1) The stipend
14 authorized by this section may not be disbursed in kind.

15 “(2) The stipend may be paid to the member on or
16 after the date the screening is performed, but not later
17 than 30 days after that date.

18 “(3) The stipend shall constitute the single, flat-rate
19 monetary allowance authorized for the performance of the
20 screening and shall constitute payment in full to the mem-
21 ber, regardless of the grade or rank in which the member
22 is serving.

23 “(e) BAR TO INACTIVE DUTY COMPENSATION.—A
24 member who participates in screening conducted through
25 electronic means pursuant to this section is not entitled

1 to compensation for inactive-duty training under section
2 206(a) of this title for the same period.”.

3 (b) CONFORMING AND CLERICAL AMENDMENTS.—

4 (1) CONFORMING AMENDMENTS.—

5 (A) BAR TO DUAL COMPENSATION.—Sec-
6 tion 206 of such title is amended by adding at
7 the end the following new subsection:

8 “(f) A member of the National Guard or a member
9 of a reserve component of a uniformed service is not enti-
10 tled to compensation under this section when the member
11 received compensation under section 433a of this title.”.

12 (B) BAR TO RETIREMENT CREDI.—Section
13 12732(b) of title 10, United States Code, is
14 amended by adding at the end the following
15 new paragraph:

16 “(8) Service performed through electronic
17 screening, regardless of compensation received under
18 section 433a of title 37.”.

19 (2) CLERICAL AMENDMENT.—The table of sec-
20 tions at the beginning of chapter 7 of title 37,
21 United States Code, is amended by inserting after
22 the item relating to section 433 the following new
23 item:

“433a. Allowance for participation in Ready Reserve screening.”.

1 **SEC. 602. JROTC INSTRUCTOR STIPENDS FOR HARD-TO-**
2 **FILL AREAS.**

3 Section 2031(d) of title 10, United States Code, is
4 amended—

5 (1) by redesignating paragraph (2) as para-
6 graph (3); and

7 (2) by inserting after paragraph (1) the fol-
8 lowing new paragraph (2):

9 “(2)(A) When determined by the Secretary con-
10 cerned to be in the national interest, and agreed
11 upon by the institution concerned, an institution
12 may reimburse the moving expenses of a Junior Re-
13 serve Officer’s Training Corps instructor who signs
14 a written agreement to serve a minimum commit-
15 ment of two years of employment at that institution
16 in a hard-to-fill position, due to geographic or eco-
17 nomic factors and as determined by the Secretary
18 concerned. This payment is separate from the min-
19 imum instructor pay.

20 “(B) In the case of payment of such additional
21 amounts by the institution concerned to cover the
22 moving expenses, the Secretary concerned shall re-
23 imburse the institution in an amount equal to the
24 amount paid by the institution. Such payments by
25 the Secretary shall be made from funds appropriated
26 for that purpose.

1 “(C) Amounts paid under this paragraph shall
2 be subject to regulations promulgated by the Sec-
3 retary of Defense.”.

4 **SEC. 603. INCOME REPLACEMENT PAYMENTS FOR RE-**
5 **SERVES EXPERIENCING EXTENDED AND FRE-**
6 **QUENT MOBILIZATION FOR ACTIVE DUTY**
7 **SERVICE.**

8 Section 910 of title 37, United States Code, is
9 amended—

10 (1) in subsection (a), by inserting “, when the
11 total monthly military compensation of the member
12 is less than the average monthly civilian income”
13 after “by the Secretary”;

14 (2) by amending subsection (b) to read as fol-
15 lows:

16 “(b) **ELIGIBILITY.**—Subject to subsection (c), a re-
17 serve component member is entitled to a payment under
18 this section for any full month of active duty of the mem-
19 ber—

20 “(1) while on active duty under an involuntary
21 mobilization order, following the date on which the
22 member—

23 “(A) completes 18 continuous months of
24 service on active duty under such an order;

1 “(B) completes 730 cumulative days on ac-
2 tive duty under an involuntary mobilization
3 order during the previous 1,826 days; or

4 “(C) is involuntarily mobilized for service
5 on active duty for a period of 180 days or more
6 within 180 days following the member’s separa-
7 tion from a previous period of active duty for
8 period of 180 days or more; or

9 “(2) when the member who qualified for income
10 replacement payments under paragraph (1) is re-
11 tained on active duty under section 12301(h)(1)(A)
12 or (B) of title 10 because of an injury or illness in-
13 curred or aggravated while deployed to an area des-
14 ignated for special pay under section 310 of this
15 title. Once the member is released from active duty,
16 entitlement to pay under this section terminates.”;
17 and

18 (3) by amending subsection (g) to read as fol-
19 lows:

20 “(g) TERMINATION OF AUTHORITY.—Payment under
21 this section shall only be made for service performed on
22 or before December 31, 2008.”.

1 **SEC. 604. REVISIONS TO TUITION ASSISTANCE AUTHORITY.**

2 (a) REVISION TO AUTHORITY TO REDUCE OR WAIVE
3 ACTIVE DUTY SERVICE OBLIGATION.—Section 2007(b) of
4 title 10, United States Code, is amended—

5 (1) in paragraph (1)—

6 (A) by inserting “(other than a member of
7 the Ready Reserve)” after “active duty” the
8 first place it appears; and

9 (B) by striking “or full-time National
10 Guard duty” both places it appears; and

11 (2) in paragraph (2)(B), by inserting “for
12 which ordered to active duty” after “active duty
13 service”.

14 (b) AUTHORITY TO PAY TUITION ASSISTANCE TO
15 MEMBERS OF THE READY RESERVE.—Subsection (c) of
16 such section is amended to read as follows:

17 “(c)(1) As provided in subsection (a) and subject to
18 paragraphs (2) and (3), the Secretary of a military depart-
19 ment may pay the charges of an educational institution
20 for the tuition or expenses of a member of the Ready Re-
21 serve. For members of the Individual Ready Reserve, the
22 Secretary of a military department will selectively deter-
23 mine if any military operational specialties qualify for this
24 benefit.

25 “(2) The Secretary may not pay charges under para-
26 graph (1) for tuition or expenses of an officer of the Se-

1 lected Reserve of the Ready Reserve unless the officer
2 agrees to remain a member of the Selected Reserve for
3 at least four years after completion of the education or
4 training for which the charges are paid.

5 “(3) The Secretary may not pay charges under para-
6 graph (1) for tuition or expenses of an officer of the Ready
7 Reserve who is not an officer of the Selected Reserve un-
8 less the officer agrees to remain in the Ready Reserve for
9 at least four years after completion of the education or
10 training for which the charges are paid. For the Individual
11 Ready Reserve, the Secretary of a military department will
12 selectively determine if any military operational specialties
13 qualify for this benefit.

14 “(4) The Secretary may require a service obligation
15 for enlisted members of the Selected Reserve or Ready Re-
16 serve for up to four years in the Selected Reserve or Ready
17 Reserve after completion of education or training for
18 which tuition or expenses are paid under paragraph (1).”.

19 (c) ELIMINATION OF UNNECESSARY PROVISION.—
20 Such section is further amended—

21 (1) by striking subsection (d); and

22 (2) by redesignating subsections (e) and (f) as
23 subsections (d) and (e), respectively.

1 (d) REPAYMENT OF UNEARNED BENEFIT.—Sub-
 2 section (e) of such section, as redesignated by subsection
 3 (c), is amended—

4 (1) by inserting “(1)” after “(f)”; and

5 (2) by adding at the end the following new
 6 paragraph:

7 “(2) If a member of the Ready Reserve who en-
 8 ters into an agreement under subsection (e) does not
 9 complete the period of service specified in the agree-
 10 ment, the member shall be subject to the repayment
 11 provisions of section 303a(e) of title 37.”.

12 (e) REGULATIONS.—Such section is further amended
 13 by adding at the end the following new subsection (f):

14 “(f) This section shall be administered under regula-
 15 tions prescribed by the Secretary of Defense for the armed
 16 forces under his jurisdiction and by the Secretary of
 17 Homeland Security for the Coast Guard when it is not
 18 operating as a service in the Navy.”.

19 **SEC. 605. MONTGOMERY GI BILL FOR THE SELECTED RE-**
 20 **SERVE BENEFITS FOR CERTAIN MEMBERS**
 21 **AFFECTED BY FORCE SHAPING INITIATIVES.**

22 Section 16133(b)(1)(B) of title 10, United States
 23 Code, is amended—

24 (1) by striking “October 1, 1991” and inserting

25 “October 1, 2007”; and

1 (2) by striking “December 31, 2001” and in-
2 serting “December 31, 2011”.

3 **SEC. 606. EXTENDED SERVICEMEMBERS’ GROUP LIFE IN-**
4 **SURANCE.**

5 (a) EXTENDED INSURANCE COVERAGE DURING THE
6 FORCE SHAPING PERIOD.—Section 1968(a) of title 38,
7 United States Code, is amended—

8 (1) in paragraph (1)—

9 (A) by redesignating subparagraph (B) as
10 subparagraph (C); and

11 (B) by inserting after subparagraph (A)
12 the following new subparagraph (B):

13 “(B) 180 days after release or separation
14 from active duty or active duty for training, if
15 such person’s separation or release is the result
16 of force reduction that begins October 1, 2007,
17 and ends December 31, 2011, and such person
18 requests the additional 60 days of coverage.”;

19 and

20 (2) in paragraph (4)—

21 (A) by inserting “—(A)” after “shall
22 cease”;

23 (B) by redesignating subparagraphs (A)
24 and (B) as clauses (i) and (ii), respectively;

25 (C) in clause (ii), as so redesignated—

1 (i) by redesignating clauses (i) and
2 (ii) as subclauses (I) and (II), respectively;
3 and

4 (ii) by striking the period at the end
5 and inserting “; or”; and

6 (D) by adding at the end the following new
7 subparagraph:

8 “(B) 180 days after separation or release
9 from such assignment by reason of the inactiva-
10 tion of the person’s unit of assignment begin-
11 ning October 1, 2007, and ending December
12 31, 2011, and such person requests the addi-
13 tional 60 days of coverage.”.

14 (b) PAYMENT OF PREMIUMS.—Such section is fur-
15 ther amended—

16 (1) by redesignating subsection (b) as sub-
17 section (c); and

18 (2) by inserting after subsection (a) the fol-
19 lowing new subsection (b):

20 “(b)(1) The total amount of the cost attributable to
21 insuring a person under subsection (a)(1)(B) shall be paid
22 by the member prior to separation or release from active
23 duty or active duty for training.

24 “(2) The total amount of the cost attributable to in-
25 suring a person under subsection (a)(4)(B) shall be paid

1 by the member prior to the separation or release from as-
2 signment.”.

3 **SEC. 607. MODIFICATION OF MONTGOMERY GI BILL PAR-**
4 **TICIPATION ELECTION AND EDUCATIONAL**
5 **LOAN REPAYMENT.**

6 Section 3011(c)(1) of title 38, United States Code,
7 is amended by inserting “unless that individual enlists
8 with an incentive under section 2171 of title 10. Such an
9 individual shall make the election either at the time the
10 individual enters active duty or at the time of reenlist-
11 ment. Notwithstanding section 3011(b) of this title, the
12 pay of an individual who elects to participate at the time
13 of reenlistment shall be reduced by \$100.00 for each of
14 the first 12 months of their second term of enlistment.”
15 after “on active duty as a member of the Armed Forces”.

16 **Subtitle B—Bonuses and Special**
17 **and Incentive Pays**

18 **SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUS AND**
19 **SPECIAL PAYS FOR RESERVE FORCES.**

20 (a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN
21 CRITICALLY SHORT WARTIME SPECIALTIES.—Section
22 302g(e) of title 37, United States Code, is amended by
23 striking “December 31, 2007” and inserting “December
24 31, 2008”.

1 (b) SELECTED RESERVE REENLISTMENT BONUS.—
2 Section 308b(g) of such title is amended by striking “De-
3 cember 31, 2007” and inserting “December 31, 2008”.

4 (c) SELECTED RESERVE AFFILIATION OR ENLIST-
5 MENT BONUS.—Section 308c(i) of such title is amended
6 by striking “December 31, 2007” and inserting “Decem-
7 ber 31, 2008”.

8 (d) SPECIAL PAY FOR ENLISTED MEMBERS AS-
9 SIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section
10 308d(c) of such title is amended by striking “December
11 31, 2007” and inserting “December 31, 2008”.

12 (e) READY RESERVE NON-PRIOR SERVICE ENLIST-
13 MENT BONUS.—Section 308g(f)(2) of such title is amend-
14 ed by striking “December 31, 2007” and inserting “De-
15 cember 31, 2008”.

16 (f) READY RESERVE ENLISTMENT AND REENLIST-
17 MENT BONUS.—Section 308h(e) of such title is amended
18 by striking “December 31, 2007” and inserting “Decem-
19 ber 31, 2008”.

20 (g) PRIOR SERVICE REENLISTMENT BONUS.—Sec-
21 tion 308i(f) of such title is amended by striking “Decem-
22 ber 31, 2007” and inserting “December 31, 2008”.

23 (h) REPAYMENT OF EDUCATION LOANS FOR CER-
24 TAIN HEALTH PROFESSIONALS WHO SERVE IN THE SE-
25 LECTED RESERVE.—Section 16302(d) of title 10, United

1 States Code, is amended by striking “January 1, 2008”
2 and inserting “January 1, 2009”.

3 **SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUS AND**
4 **SPECIAL PAY AUTHORITIES FOR CERTAIN**
5 **HEALTH CARE PROFESSIONALS.**

6 (a) NURSE OFFICER CANDIDATE ACCESSION PRO-
7 GRAM.—Section 2130a(a)(1) of title 10, United States
8 Code, is amended by striking “December 31, 2007” and
9 inserting “December 31, 2008”.

10 (b) ACCESSION BONUS FOR REGISTERED NURSES.—
11 Section 302d(a)(1) of title 37, United States Code, is
12 amended by striking “December 31, 2007” and inserting
13 “December 31, 2008”.

14 (c) INCENTIVE SPECIAL PAY FOR NURSE ANES-
15 THETISTS.—Section 302e(a)(1) of such title is amended
16 by striking “December 31, 2007” and inserting “Decem-
17 ber 31, 2008”.

18 (d) ACCESSION BONUS FOR DENTAL OFFICERS.—
19 Section 302h(a)(1) of such title is amended by striking
20 “December 31, 2007” and inserting “December 31,
21 2008”.

22 (e) ACCESSION BONUS FOR PHARMACY OFFICERS.—
23 Section 302j(a) of such title is amended by striking “De-
24 cember 31, 2007” and inserting “December 31, 2008”.

1 (f) ACCESSION BONUS FOR MEDICAL OFFICERS IN
2 CRITICALLY SHORT WARTIME SPECIALTIES.—Section
3 302k(f) of such title is amended by striking “December
4 31, 2007” and inserting “December 31, 2008”.

5 (g) ACCESSION BONUS FOR DENTAL SPECIALIST OF-
6 FICERS IN CRITICALLY SHORT WARTIME SPECIALTIES.—
7 Section 302l(g) of such title is amended by striking “De-
8 cember 31, 2007” and inserting “December 31, 2008”.

9 **SEC. 613. ONE-YEAR EXTENSION OF SPECIAL PAY AND**
10 **BONUS AUTHORITIES FOR NUCLEAR OFFI-**
11 **CERS.**

12 (a) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFI-
13 CERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section
14 312(e) of title 37, United States Code, is amended by
15 striking “December 31, 2007” and inserting “December
16 31, 2008”.

17 (b) NUCLEAR CAREER ACCESSION BONUS.—Section
18 312b(e) of such title is amended by striking “December
19 31, 2007” and inserting “December 31, 2008”.

20 (c) NUCLEAR CAREER ANNUAL INCENTIVE
21 BONUS.—Section 312c(d) of such title is amended by
22 striking “December 31, 2007” and inserting “December
23 31, 2008”.

1 **SEC. 614. EXCEPTION TO 25 YEARS OF ACTIVE DUTY LIMIT**
2 **FOR RECEIPT OF CRITICAL SKILLS RETEN-**
3 **TION BONUS.**

4 (a) Section 323(e) of title 37, United States Code,
5 is amended by adding at the end the following new para-
6 graph:

7 “(4) The limitations in paragraph (1) may be
8 waived by the Secretary of Defense, or by the Sec-
9 retary of Homeland Security with respect to the
10 Coast Guard when it is not operating as a service
11 in the Navy, with respect to a member who is as-
12 signed duties in a designated critical skill during the
13 period of active duty for which the bonus is being of-
14 fered. This authority may not be delegated below the
15 Undersecretary of Defense for Personnel and Readiness
16 or the Deputy Secretary of the Department of
17 Homeland Security with respect to the Coast Guard
18 when it is not operating as a service in the Navy.”.

19 **SEC. 615. ENHANCEMENT OF REFERRAL BONUS TO EN-**
20 **COURAGE SERVICE IN THE ARMY.**

21 (a) INDIVIDUALS ELIGIBLE FOR BONUS.—Subsection
22 (a)(1) of section 645 of the National Defense Authoriza-
23 tion Act for Fiscal Year 2006 (Public Law 109–163; 119
24 Stat. 3310) is amended by striking “enlists” and inserting
25 “enlists, or is appointed as an officer to serve in a health
26 profession designated by the Secretary,”.

1 (b) EXTENSION OF AUTHORITY.—Subsection (h) of
2 such section is amended by striking “December 31, 2007”
3 and inserting “December 31, 2010”.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall take effect on the date of the enactment
6 of this Act and shall apply with respect to bonuses payable
7 under section 645 of the National Defense Authorization
8 Act for Fiscal Year 2006, as amended by this or any other
9 section, on or after that date.

10 **SEC. 616. ENHANCEMENT OF SELECTED RESERVE ACCES-**
11 **SION BONUS AUTHORITY.**

12 Section 308c(c)(1) of title 37, United States Code,
13 is amended—

14 (1) by inserting “(A)” after “(1)”;

15 (2) by striking “and” at the end of subpara-
16 graph (A), as redesignated, and inserting “or”; and

17 (3) by adding at the end the following new sub-
18 paragraph:

19 “(B) has previously served in the armed
20 forces but was released from such service prior
21 to completion of the training required by sec-
22 tion 671 of title 10, provided such service was
23 characterized as either honorable or
24 uncharacterized; and”.

1 **SEC. 617. SPECIAL PAY: REENLISTMENT BONUS FOR MEM-**
2 **BERS OF THE SELECTED RESERVE.**

3 Section 308b of title 37, United States Code, is
4 amended—

5 (1) in subsection (a)(2), by striking “for a pe-
6 riod of three years or for a period of six years” and
7 inserting “for a period of not less than three years”;
8 and

9 (2) in subsection (b)(1), by striking “may not
10 exceed” and all that follows through the end and in-
11 serting “may not exceed \$15,000.”.

12 **SEC. 618. INCREASE IN INCENTIVE SPECIAL PAY AND**
13 **MULTIYEAR RETENTION BONUS FOR MED-**
14 **ICAL OFFICERS OF THE ARMED FORCES.**

15 (a) INCENTIVE SPECIAL PAY.—Section 302(b)(1) of
16 title 37, United States Code, is amended by striking
17 “\$50,000” and inserting “\$75,000”.

18 (b) MULTIYEAR RETENTION BONUS.—Section
19 301d(a)(2) of such title is amended by striking “\$50,000”
20 and inserting “\$75,000”.

21 **SEC. 619. INCREASE IN DENTAL OFFICER ADDITIONAL SPE-**
22 **CIAL PAY.**

23 Section 302b(a)(4) of title 37, United States Code,
24 is amended—

25 (1) by striking “at the following rates” in the
26 matter preceding subparagraph (A) and inserting

1 “at a rate determined by the Secretary concerned,
2 not to exceed”;

3 (2) in subparagraph (A), by striking “\$4,000”
4 and inserting “\$10,000”; and

5 (3) in subparagraph (B), by striking “\$6,000”
6 and inserting “\$12,000”.

7 **SEC. 620. ACCESSION BONUS FOR PARTICIPANTS IN THE**
8 **ARMED FORCES HEALTH PROFESSIONAL**
9 **SCHOLARSHIP AND FINANCIAL ASSISTANCE**
10 **PROGRAM.**

11 Section 2127 of title 10, United States Code, is
12 amended by adding at the end the following new sub-
13 section:

14 “(f)(1) In order to increase participation in the pro-
15 gram under this subchapter, the Secretary of Defense may
16 offer to a person who signs an agreement under section
17 2122 of this title an accession bonus of not more than
18 \$20,000.

19 “(2) In the case of an individual who receives an ac-
20 cession bonus under this subsection, but fails to commence
21 or complete obligated service under this subchapter, the
22 repayment provisions of section 324(f) of title 37 shall
23 apply to the accession bonus under this subsection.”.

1 **Subtitle C—Retired Pay and**
2 **Survivor Benefits**

3 **SEC. 621. WAIVER OF RECOUPMENT OF OVERPAYMENTS OF**
4 **RETIRED PAY TO SPOUSE OR FORMER**
5 **SPOUSE AS A RESULT OF RETROACTIVE DIS-**
6 **ABILITY DETERMINATION.**

7 Section 2774 of title 10, United States Code, is
8 amended by adding at the end the following new sub-
9 section: The Director of the Office of Management and
10 Budget or the Secretary concerned, as the case may be,
11 shall waive any claim for overpayment against a spouse
12 or former spouse of a member if—

13 “(A) the payment was disposable retired pay
14 that, pursuant to section 1408 of this title, a court
15 treated as property for the purpose of issuing a final
16 decree of divorce, dissolution, annulment, or legal
17 separation, including a court ordered, ratified, or ap-
18 proved property settlement incident to such decree;
19 and

20 “(B) the claim for overpayment is attributable
21 to a determination of entitlement to disability com-
22 pensation under title 38.

23 “(2) In this section:

24 “(A) The term ‘court’ has the meaning given
25 such term in section 1408(a)(1) of this title.

1 “(B) The term ‘disposable retired pay’ has the
2 meaning given such term in section 1408(a)(4) of
3 this title.

4 “(C) The term ‘final decree’ has the meaning
5 given such term in section 1408(a)(3) of this title.

6 “(D) The term ‘member’ has the meaning given
7 such term in section 1408(a)(5) of this title.

8 “(E) The term ‘spouse or former spouse’ has
9 the meaning given such term in section 1408(a)(6)
10 of this title.”.

11 **SEC. 622. SURVIVOR BENEFIT PLAN; EXTENSION OF PE-**
12 **RIOD FOR ELECTION DEEMED TO HAVE BEEN**
13 **MADE.**

14 (a) IN GENERAL.—Section 1450(f)(3)(C) of title 10,
15 United States Code, is amended by striking “one year”
16 and inserting “five years”.

17 (b) EFFECTIVE DATE.—The amendment made by
18 this section shall apply with respect to divorces, dissolu-
19 tions, annulments, or legal separations that become effec-
20 tive after the end of the 90-day period beginning on the
21 date of enactment of this Act.

22 **SEC. 623. ALLOWING MEMBER TO SUBMIT APPLICATION**
23 **FOR DIRECT PAYMENT.**

24 (a) PERMIT APPLICATION FOR DIRECT PAYMENT BY
25 MEMBER.—Section 1408(d) of title 10, United States

1 Code, is amended in the first sentence of paragraph (1)
2 by inserting “by a member or former member or the
3 spouse or former spouse of such member” after “the Sec-
4 retary concerned”.

5 (b) CONDITIONS FOR DIRECT PAYMENT.—Section
6 1408(d) of such title is further amended by adding at the
7 end the following new paragraph:

8 “(8) A former spouse who accepts payment
9 shall be deemed—

10 “(A) to have consented and agreed to the
11 recovery of any future overpayments, including
12 recovery by involuntary collection from the
13 former spouse or his or her estate; and

14 “(B) to have agreed to give prompt notice
15 in writing to the Secretary if—

16 “(i) the operative court order upon
17 which payment is based is vacated, modi-
18 fied, or set aside;

19 “(ii) the former spouse remarries, if
20 all or a part of the payment is for alimony;
21 or

22 “(iii) the former spouse is ineligible
23 for child support payments due to the
24 death, emancipation, adoption, or attain-
25 ment of majority of a child whose support

1 is provided through direct payment to a
2 former spouse from retired pay.”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to applications for direct payment
5 of retired pay submitted to the Secretary concerned after
6 the end of the 90-day period beginning on the date of en-
7 actment of this Act.

8 **SEC. 624. DIVISION OF RETIRED PAY TO BE BASED ON MEM-**
9 **BER'S LENGTH OF SERVICE AND PAY GRADE**
10 **AT TIME OF DIVORCE.**

11 (a) IN GENERAL.—Section 1408(c) of title 10,
12 United States Code, is amended by adding at the end the
13 following new paragraph:

14 “(5) In the case of a member as to whom a de-
15 cree of divorce, dissolution, annulment, or legal sepa-
16 ration becomes final before the date on which the
17 member begins to receive retired pay, the total
18 monthly retired pay to which a member is entitled,
19 for purposes of determining ‘disposable retired pay,’
20 as defined in paragraph (4) of subsection (a), that
21 a court may treat in the manner described in para-
22 graph (1), shall be limited to retired pay computed
23 based on the pay grade, and the length of service of
24 the member while married, that are creditable to-
25 ward entitlement to basic pay and to retired pay as

1 of the date a marital property interest in retired pay
2 terminates. Amounts so calculated shall be increased
3 by the cumulative percentage of increases in basic
4 pay and retired pay between the date a marital
5 property interest in retired pay terminates and the
6 effective date of the member's retirement. Upon re-
7 quest and pursuant to regulations, the Secretary
8 concerned shall calculate disposable retired pay de-
9 scribed in this paragraph.”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 subsection (a) shall apply with respect to divorces, dissolu-
12 tions, annulments, and legal separations that become ef-
13 fective after the end of the 90-day period beginning on
14 the date of enactment of this Act.

15 **SEC. 625. INCREASES FOR DIVISIONS OF RETIRED PAY EX-**
16 **RESSED AS A DOLLAR AMOUNT.**

17 (a) MONETARY AMOUNT ADJUSTMENT.—Section
18 1408(a)(2)(C) of title 10, United States Code, is amended
19 by striking “expressed in dollars” and inserting “ex-
20 pressed as a specific dollar amount, with such amount,
21 if so ordered, being adjusted in the same manner and at
22 the same time as retired pay is adjusted to reflect changes
23 in the Consumer Price Index under section 1401a of this
24 title,”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall apply with respect to court orders that
3 become effective after the end of the 90-day period begin-
4 ning on the date of enactment of this Act.

5 **SEC. 626. LUMP SUM PAYMENTS TO FORMER SPOUSES OF**
6 **MEMBERS OF THE UNIFORMED SERVICES.**

7 (a) AUTHORITY FOR LUMP SUM PAYMENT.—(1)
8 Chapter 74 of title 10, United States Code, is amended
9 by adding at the end the following new section:

10 **“§ 1468. Lump sum payments for certain amounts**
11 **payable to former spouse**

12 “(a) If the present value of a periodic amount de-
13 scribed in subsection (b) payable to a former spouse does
14 not exceed \$5,000, the Secretary concerned shall pay, in
15 a lump sum, an amount equal to such present value to
16 the former spouse eligible for such benefit.

17 “(b) A periodic amount described in this subsection
18 means:

19 “(1) An annuity under the Survivor Benefit
20 Plan (subchapter II of chapter 73 of this title).

21 “(2) Payment of retired pay pursuant to a
22 court order resulting from the treatment by the
23 court under section 1408(c) of this title of dispos-
24 able retired pay of a member of the uniformed serv-
25 ices as the property of the member and his spouse.

1 “(c) With the consent of the former spouse, the Sec-
2 retary concerned may pay, in a lump sum, an amount
3 equal to the present value of a periodic amount described
4 in subsection (b) in excess of \$5,000.

5 “(d) Payment of a lump sum under subsection (a)
6 or (c) of this section shall constitute full payment of the
7 amounts described in subsection (b) to the former spouse.

8 “(e) For purposes of this section, the term ‘present
9 value’ means the present value calculated by using the
10 mortality table, interest rate, and actuarial assumptions
11 pursuant to regulations prescribed by the Secretary of De-
12 fense.

13 “(f) If a former spouse eligible for a payment under
14 subsection (b) or (c) of this section elects to have all or
15 a portion of such payment paid directly to an eligible re-
16 tirement plan, and specifies the eligible retirement plan
17 to which such payment is to be paid (in such form and
18 at such time as the Secretary concerned may prescribe),
19 such payment shall be made in the form of a transfer by
20 the Secretary concerned to the trustee of the eligible re-
21 tirement plan so specified. For purposes of the preceding
22 sentence, the term ‘eligible retirement plan’ has the same
23 meaning as ‘eligible retirement plan’ for purposes of sec-
24 tion 414(v)(2)(B) of the Internal Revenue Code of 1986
25 (26 U.S.C. 414(v)(2)(B)).”.

1 (2) CLERICAL AMENDMENT.—The table of sections
 2 at the beginning of such chapter is amended by adding
 3 at the end the following new item:

“1468. Lump sum payments for certain amounts payable to former spouse.”.

4 (b) ROLLOVER TREATMENT FOR LUMP SUM PAY-
 5 MENTS PAID TO FORMER SPOUSES OF MEMBERS OF THE
 6 UNIFORMED SERVICES.—Section 414 of the Internal Rev-
 7 enue Code of 1986 (relating to definitions and special
 8 rules) is amended by adding at the end the following new
 9 subsection:

10 “(w) LUMP SUM PAYMENTS TO FORMER SPOUSES
 11 OF MEMBERS OF THE UNIFORMED SERVICES.—

12 “(1) ELIGIBLE FOR ROLLOVER TREATMENT.—
 13 For purposes of this part including section 408, re-
 14 lating to individual retirement accounts, any amount
 15 of a lump sum payment paid to an individual under
 16 the authority of section 1468 of title 10, United
 17 States Code, shall be considered an amount paid out
 18 of an individual retirement account to the individual
 19 for whose benefit the account is maintained and eli-
 20 gible for rollover treatment under section 402(c)(6).

21 “(2) TRANSFER BY SECRETARY CONCERNED TO
 22 TRUSTEE.—Any amount of lump sum payment
 23 transferred by the Secretary concerned to a trustee
 24 of an eligible retirement plan in accordance with sec-
 25 tion 1468 of title 10, United States Code, shall be

1 treated as an amount transferred in a direct trustee-
 2 to-trustee transfer in accordance with section
 3 401(a)(31) and, as a result, shall not be includible
 4 in gross income for the taxable year of such trans-
 5 fer. For purposes of this paragraph, the term ‘eligi-
 6 ble retirement plan’ has the meaning given such
 7 term by section 401(a)(31)(D).”.

8 **SEC. 627. PROHIBIT COURT-ORDERED PAYMENTS BEFORE**
 9 **RETIREMENT BASED ON IMPUTATION OF RE-**
 10 **TIRED PAY.**

11 (a) **AUTHORITY.**—Section 1408(c)(3) of title 10,
 12 United States Code, is amended—

13 (1) by inserting “(A)” after “(3)”; and

14 (2) by adding at the end the following new sub-
 15 paragraph:

16 “(B) A court may not order a member to
 17 make payments based upon an imputation of a
 18 property interest in future retired pay of any
 19 kind to a spouse or former spouse before the
 20 date of the member’s actual retirement.”.

21 (b) **EFFECTIVE DATE.**—The amendments made by
 22 subsection (a) shall apply to final court orders or court
 23 orders seeking enforcement of prior final decrees issued
 24 on or after the date of the enactment of this Act.

1 **SEC. 628. REVOCATION OF TEN-YEAR RULE FOR DIRECT**
2 **PAYMENT OF RETIRED PAY.**

3 (a) REVOCATION OF TEN-YEAR RULE.—Section
4 1408(d) of title 10, United States Code, is amended—

5 (1) by striking paragraph (2); and

6 (2) by redesignating paragraphs (3) through
7 (7) as paragraphs (2) through (6), respectively.

8 (b) EFFECTIVE DATE.—The amendments made by
9 this section shall take effect on the first day of the first
10 month which begins more than 120 days after the date
11 of enactment of this Act and shall apply only to payments
12 of retired pay for periods beginning on or after the effec-
13 tive date of this section in the case of any former spouse
14 of a member or former member of the uniformed services.

15 **SEC. 629. SURVIVOR BENEFIT PLAN; MULTIPLE BENE-**
16 **FICIARIES.**

17 (a) PERMIT SPOUSE AND FORMER SPOUSE COV-
18 ERAGE.—Section 1448(b)(2) of title 10, United States
19 Code, is amended—

20 (1) in subparagraph (B)—

21 (A) by striking “prevents payment” and
22 inserting “reduces the amount”; and

23 (B) by striking “including payment” and
24 inserting “including the amount of an annuity”;

25 and

1 (2) in subparagraph (C), by striking “which
2 former spouse is to be provided the annuity” and in-
3 serting “the base amount applicable in determining
4 the amount of the annuity of each former spouse”.

5 (b) PERMIT SPOUSE AND FORMER SPOUSE ANNU-
6 ITIES.—Section 1450(a)(1) of such title is amended to
7 read as follows:

8 “(1) SURVIVING SPOUSE AND FORMER
9 SPOUSE(S).—The eligible surviving spouse and every
10 eligible former spouse.”.

11 (c) PERMIT REDUCTIONS IN RETIRED PAY IN THE
12 CASE OF MULTIPLE BENEFICIARIES.—Section 1452 of
13 such title is amended by adding at the end the following
14 new subsection:

15 “(k) REDUCTIONS IN RETIRED PAY IN THE CASE OF
16 MULTIPLE BENEFICIARIES.—When a participant in the
17 Plan has elected to provide an annuity to a spouse and
18 to one or more former spouses, reductions in retired pay
19 required by subsection (a) shall be made for each annuity
20 elected, in an amount based on the base amount applicable
21 to each annuity. In the case of a reduction in retired pay
22 to provide an annuity to a former spouse to whom pay-
23 ment of a portion of a member’s retired pay is being made
24 pursuant to a court order under section 1408 of this title,
25 such reduction in retired pay shall be deducted from the

1 amounts paid to such member, to such former spouse, or
2 both, as provided by court order or by agreement of the
3 parties.”.

4 (d) EFFECTIVE DATE.—The amendments made by
5 subsections (a), (b), and (c) apply with respect to elections
6 made on or after the date of enactment of this Act. Any
7 election to provide an annuity to a spouse or former
8 spouse who was prevented from being a beneficiary under
9 the laws in effect before the date of enactment of this Act
10 shall be made within 180 days following the date of enact-
11 ment of this Act.

12 (e) COVERAGE FOR SURVIVORS OF RETIREMENT-EL-
13 IGIBLE MEMBERS WHO DIE ON ACTIVE DUTY.—(1) Sec-
14 tion 1448(d) of such title is amended—

15 (A) in paragraph (3), by striking “the Sec-
16 retary—(A) may not pay an annuity under para-
17 graph (1) or (2); but (B)” and inserting “the Sec-
18 retary”; and

19 (B) by amending paragraph (5) to read as fol-
20 lows:

21 “(5) COMPUTATION.—(A) The amount of an
22 annuity payable to a former spouse pursuant to
23 paragraph (3) shall be computed on the basis of a
24 base amount equal to the amount of retired pay
25 that, under the authority of section 1408(c) of this

1 title, is treated under a court order or spousal agree-
2 ment as the property of such former spouse.

3 “(B) The amount of an annuity payable under
4 paragraph (1) or (2) shall be computed under sec-
5 tion 1451(c) of this title; however, the retired pay
6 otherwise applicable with respect to such computa-
7 tion shall be reduced by an amount equal to the base
8 amount that provides the basis for computing the
9 amount of an annuity payable to a former spouse
10 under paragraph (3) of this subsection.”.

11 (2) EFFECTIVE DATE.—The amendments made by
12 paragraph (1) shall apply with respect to survivors of re-
13 tirement-eligible members who die on active duty on or
14 after the date of enactment of this Act.

15 (f) COVERAGE FOR SURVIVORS OF PERSONS DYING
16 WHEN ELIGIBLE TO ELECT RESERVE COMPONENT AN-
17 NUITY.—(1) Section 1448(f) of such title is amended—

18 (A) by striking “the Secretary—(A) may not
19 pay an annuity under paragraph (1) or (2); but
20 (B)” and inserting “the Secretary”; and

21 (B) by amending paragraph (4) to read as fol-
22 lows:

23 “(4) COMPUTATION.—(A) The amount of an
24 annuity payable to a former spouse pursuant to
25 paragraph (3) shall be computed on the basis of a

1 base amount equal to the amount of retired pay
 2 that, under the authority of section 1408(c) of this
 3 title, is treated under a court order or spousal agree-
 4 ment as the property of such former spouse.

5 “(B) The amount of an annuity payable under
 6 paragraph (1) or (2) shall be computed under sec-
 7 tion 1451(c) of this title; however, the retired pay
 8 otherwise applicable with respect to such computa-
 9 tion shall be reduced by an amount equal to the base
 10 amount that provides the basis for computing the
 11 amount of an annuity payable to a former spouse
 12 under paragraph (3) of this subsection.”

13 (2) EFFECTIVE DATE.—The amendments made
 14 by paragraph (1) shall apply with respect to sur-
 15 vivors of persons eligible to elect reserve-component
 16 annuity retirement-eligible members who die on or
 17 after the date of enactment of this Act.

18 **SEC. 630. SURVIVOR BENEFIT PLAN; FINANCIAL RESPONSI-**
 19 **BILITY FOR SURVIVOR BENEFIT PLAN PAR-**
 20 **TICIPATION.**

21 (a) SPOUSE AND FORMER SPOUSE ANNUITIES.—Sec-
 22 tion 1452(a) of title 10, United States Code, is amended—

23 (1) in paragraph (1), by inserting “paragraph
 24 (6) of this subsection or” after “Except as provided
 25 in”; and

1 (2) by adding at the end the following new
2 paragraph:

3 “(6) COURT ORDER.—If a court order requires
4 the former spouse to pay all or a part of the costs
5 associated with providing an annuity to the former
6 spouse, the participant’s retired pay shall not be re-
7 duced by the portion that the former spouse is re-
8 quired to pay. The portion of Plan costs that a
9 former spouse is required to pay pursuant to a
10 Court order under this paragraph must either be
11 paid by direct remittance or as a deduction from the
12 former spouses share of the member’s retired pay
13 that is received by direct payment pursuant to sec-
14 tion 1408 of this title.”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 this section shall apply with respect to divorces, dissolu-
17 tions, annulments, or legal separations that become effec-
18 tive after the end of the 90-day period beginning on the
19 date of enactment of this Act.

20 **SEC. 631. SURVIVOR BENEFIT PLAN; PRESUMPTIVE PRO-**
21 **PORTIONATE SHARE.**

22 (a) PRESUMPTIVE BASE AMOUNT FOR FORMER
23 SPOUSE.—Section 1447(6) of title 10, United States
24 Code, is amended by adding at the end the following new
25 subparagraph:

1 “(D) PRESUMPTIVE PROPORTIONATE
 2 AMOUNT FOR FORMER SPOUSE.—In the case of
 3 an annuity provided under the Plan for a
 4 former spouse, unless otherwise agreed to by
 5 the member and former spouse or ordered by a
 6 court, such term means any amount of monthly
 7 retired pay, which is not less than \$300, pay-
 8 able to such former spouse as a result of a
 9 court treating disposable retired pay of a mem-
 10 ber as the property of the member and his
 11 spouse under the authority of section 1408(c).”.

12 (b) EFFECTIVE DATE.—The amendments made by
 13 this section shall apply with respect to divorces, dissolu-
 14 tions, annulments, and legal separations that become ef-
 15 fective after the end of the 90-day period beginning on
 16 the date of enactment of this Act.

17 **Subtitle D—Commissary and Non-**
 18 **appropriated Fund Instrumen-**
 19 **tality Benefits**

20 **SEC. 641. CONTINUATION OF COMMISSARY AND EXCHANGE**
 21 **PRIVILEGES.**

22 Section 1146 of title 10, United States Code is
 23 amended—

24 (1) by inserting “, or a member of the Selected
 25 Reserve of the Ready Reserve who is involuntarily

1 separated from the Selected Reserve due to force
2 shaping requirements directed by the Secretary of
3 the military department concerned,” after “active
4 duty” the first place it appears; and

5 (2) by striking “October 1, 1990, and ending
6 on December 31, 2001” and inserting “October 1,
7 2007, and ending on December 31, 2012”.

8 **Subtitle E—Other Matters**

9 **SEC. 651. CHANGE IN THE DEFINITION OF SEA DUTY FOR** 10 **CAREER SEA PAY TO INCLUDE MULTI-CREW** 11 **SHIPS.**

12 Section 305a(e)(1)(A) of title 37, United States
13 Code, is amended—

14 (1) by striking “or” at the end of clause (ii);
15 and

16 (2) by adding at the end the following new
17 clause:

18 “(iv) while serving as an off-cycle
19 crewmember of a multi-crewed ship; or”.

20 **SEC. 652. ESTABLISHMENT OF ARMY INCENTIVE FUND.**

21 (a) ESTABLISHMENT OF FUND.—Part II of subtitle
22 B of title 10, United States Code, is amended by adding
23 at the end the following new chapter:

1 **“CHAPTER 376—FUND FOR PAYMENT OF**
2 **INCENTIVES AND BONUSES**

“Sec.

“4101. Fund for payment of incentives and bonuses.

3 **“§ 4101. Fund for payment of incentives and bonuses**

4 “(a) ESTABLISHMENT OF FUND.—There is estab-
5 lished on the books of the Treasury a fund to be known
6 as the Army Incentive Fund (hereinafter in this section
7 referred to as the ‘Fund’), which shall be administered by
8 the Secretary of the Treasury. The Fund shall be used
9 for the accumulation of funds in order to finance on an
10 actuarially sound basis Army bonus and incentive liabil-
11 ities that have been specifically authorized by law to be
12 paid from the Fund.

13 “(b) DEFINITIONS.—In this section:

14 “(1) The term ‘specifically authorized Army
15 bonus and incentive liabilities’ means liabilities of
16 the Department of the Army for a bonus or incen-
17 tive under—

18 “(A) chapter 5 of title 37, that is specifi-
19 cally authorized by law to be paid from the
20 Fund; or

21 “(B) section 681 of the National Defense
22 Authorization Act for Fiscal Year 2006 (Public
23 Law 109–163).

1 “(2) The term ‘normal cost’, with respect to
2 any period of time, means the present value of fu-
3 ture bonuses and incentives payable to persons who
4 during such period qualify for a bonus or incentive
5 authorized by law to be paid from the Fund.

6 “(c) ASSETS OF THE FUND.—There shall be depos-
7 ited into the Fund the following, which shall constitute
8 the assets of the Fund:

9 “(1) Amounts paid into the Fund under sub-
10 section (g).

11 “(2) Any amount appropriated directly to the
12 Fund.

13 “(3) Any return on investment of the assets of
14 the Fund.

15 “(d) PAYMENTS FROM THE FUND.—The Secretary
16 of the Treasury shall transfer from the Fund to the Sec-
17 retary of the Army only such amounts as are necessary
18 to enable the Secretary to make required payments of spe-
19 cifically authorized Army bonus and incentive liabilities,
20 as defined in subsection (b)(1). The Secretary of the
21 Treasury and the Secretary of the Army shall enter into
22 an agreement as to how and when, and the amounts in
23 which, such transfers shall be made. Except for invest-
24 ments under subsection (h), amounts in the Funds may

1 not be used for any purpose other than transfers described
2 in this subsection.

3 “(e) BOARD OF ACTUARIES.—The Board of Actu-
4 aries established under section 2006(e) of this title (here-
5 inafter in this section referred to as the ‘Board’) shall re-
6 port to the Secretary of Defense annually on the actuarial
7 status of the Fund and shall furnish its advice and opinion
8 on matters referred to it by the Secretary.

9 “(f) DETERMINATIONS OF CONTRIBUTIONS TO THE
10 FUND.—(1) The Secretary of Defense shall carry out peri-
11 odic actuarial valuations of any program for a bonus or
12 incentive authorized to be paid from the Fund.

13 “(2) Based on the most recent such valuation, the
14 Secretary of Defense shall estimate the normal cost for
15 such program for the next fiscal year.

16 “(3) At the time of such evaluation, the Secretary
17 of Defense shall make determinations for such program
18 in the same manner, as far as practicable, as determina-
19 tions are made under paragraphs (3) and (4) of section
20 2006(f) of this title.

21 “(4) Based on the determinations under paragraphs
22 (2) and (3), the Secretary of Defense shall determine the
23 amount needed to be appropriated to the Department of
24 the Army for the next fiscal year for payments to be made
25 to the Fund under subsection (g).

1 “(5) All determinations under this subsection shall be
2 made using methods and assumptions approved by the
3 Board (including assumptions of interest rates) and in ac-
4 cordance with generally accepted actuarial principles and
5 practices.

6 “(g) PAYMENTS INTO THE FUND.—(1) The Sec-
7 retary of the Army shall pay into the Fund each month
8 the amount that, based upon the most recent actuarial
9 valuation of a program for a bonus or incentive authorized
10 to be paid from the Fund, is equal to the normal cost
11 for the program for the preceding month.

12 “(2) The Secretary of the Army shall pay into the
13 Fund at the beginning of each fiscal year (or as soon
14 thereafter as appropriations are available for such pur-
15 pose) an amount, if any, for the amortization of any liabil-
16 ity to the Fund, or actuarial gain or loss to the Fund,
17 related to the determinations made under subsection
18 (f)(3).

19 “(3) Amounts paid into the Fund under this section
20 shall be paid from appropriations available for the pay of
21 members of the Army.

22 “(h) INVESTMENTS OF ASSETS OF THE FUND.—The
23 Secretary of the Army may request the Secretary of the
24 Treasury to invest such portion of the fund as is not, in
25 the judgment of the Secretary of the Army, required to

1 meet current withdrawals. Such investments shall be made
 2 by the Secretary of the Treasury in public debt securities
 3 with maturities suitable to the needs of the fund, as deter-
 4 mined by the Secretary of the Army, and bearing interest
 5 at a rate determined by the Secretary of the Treasury,
 6 taking into consideration current market yields on out-
 7 standing marketable obligations of the United States of
 8 comparable maturity.

9 “(i) TRANSFER OF FUNDS AFTER TERMINATION.—
 10 If the use of the Fund is terminated, as determined by
 11 the Secretary of the Army, and the amount in the Fund
 12 is in excess of all liabilities for future payments for bo-
 13 nuses and incentives for which funds were transferred into
 14 the Fund, the amount by which the amount in the Fund
 15 exceeds the liabilities may be transferred to the appropria-
 16 tion that is available for the pay of members of the Army
 17 at the time of the transfer.”.

18 (b) CLERICAL AMENDMENTS.—The tables of chap-
 19 ters for part II of subtitle B of such title is amended by
 20 adding at the end the following new item:

“376. Fund for Payment of Incentives and Bonuses 4101.”.

21 **SEC. 653. EXPANSION OF SELECTED RESERVE EDUCATION**
 22 **LOAN REPAYMENT PROGRAM.**

23 (a) ADDITIONAL LOANS ELIGIBLE FOR REPAY-
 24 MENT.—Paragraph (1) of section 16301(a) of title 10,
 25 United States Code, is amended—

1 (1) by striking “or” at the end of subparagraph

2 (B)

3 (2) by striking the period at the end of sub-
4 paragraph (C) and inserting “; or”; and

5 (3) by adding at the end the following new sub-
6 paragraph:

7 “(D) any loan incurred for educational
8 purposes made by a lender that is—

9 “(i) an agency or instrumentality of a
10 State;

11 “(ii) a financial or credit institution
12 (including an insurance company) that is
13 subject to examination and supervision by
14 an agency of the United States or any
15 State;

16 “(iii) a pension fund approved by the
17 Secretary for purposes of this section; or

18 “(iv) a nonprofit private entity des-
19 ignated by a State, regulated by such
20 State, and approved by the Secretary for
21 purposes of this section.”.

22 (b) ELIGIBILITY OF OFFICERS.—Paragraph (2) of
23 such section is amended—

1 (1) by striking “Except as provided in para-
2 graph (3), the Secretary” and inserting “The Sec-
3 retary”; and

4 (2) by striking “an enlisted member of the Se-
5 lected Reserve of the Ready Reserve of an armed
6 force in a reserve component and military specialty”
7 and inserting “a member of the Selected Reserve of
8 the Ready Reserve of an armed force in a reserve
9 component and officer program or military spe-
10 cialty”.

11 (c) CONFORMING AMENDMENTS.—Such section is
12 further amended—

13 (1) by striking paragraph (3); and

14 (2) in the heading, by striking “**ENLISTED**
15 **MEMBERS OF SELECTED RESERVE WITH CRIT-**
16 **ICAL SPECIALTIES**” and inserting “**MEMBERS OF**
17 **THE SELECTED RESERVE**”.

18 (d) CLERICAL AMENDMENT.—The table of sections
19 at the beginning of chapter 1609 of such title is amended
20 by striking the item relating to section 16301 and insert-
21 ing the following new item:

“16301. Education loan repayment program: members of the Selected Re-
serve.”.

1 **SEC. 654. REEMPLOYMENT RIGHTS FOLLOWING CERTAIN**
2 **NATIONAL GUARD DUTY.**

3 Section 4312(c)(4) of title 38, United States Code,
4 is amended—

5 (1) by striking “or” at the end of subparagraph
6 (D);

7 (2) by striking the period at the end of sub-
8 paragraph (E) and inserting “; or”; and

9 (3) by adding at the end the following new sub-
10 paragraph:

11 “(F) ordered to full-time National Guard
12 duty under the provisions of section 502(f) of
13 title 32 when the period of duty is designated
14 by the Secretary of Defense as covered by this
15 subparagraph.”.

16 **SEC. 655. ALLOW MEMBER TO WAIVE NOTICE AND PROVIDE**
17 **COURT ORDER UPON REQUEST.**

18 (a) ALLOW MEMBER TO WAIVE NOTICE AND PRO-
19 VIDE COURT ORDER UPON REQUEST.—Section 1408(g)
20 of title 10, United States Code, is amended—

21 (1) by striking “A person” and inserting “Un-
22 less notice is waived by the member, a person”; and

23 (2) by striking “(together with a copy of such
24 order)” and inserting “and, upon request, a copy of
25 such order”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to court orders received by the Sec-
3 retary concerned after the end of the 90-day period begin-
4 ning on the date of enactment of this Act.

5 **SEC. 656. DISREGARD PERIODS OF CONFINEMENT FOR DE-**
6 **PENDENT VICTIMS OF ABUSE.**

7 (a) DISREGARD PERIODS OF CONFINEMENT FOR DE-
8 PENDENT VICTIMS OF ABUSE.—Paragraph (2)(A) of sec-
9 tion 1408(h) of title 10, United States Code, is amended
10 by inserting “(including any periods of confinement served
11 prior to convening authority action on the record of trial
12 related to the misconduct that resulted in the termination
13 of eligibility to receive retired pay)” after “on the basis
14 of years of service”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 subsection (a) shall be effective as of October 23, 1992,
17 as if included in section 1408(h) of title 10, United States
18 Code, as enacted by section 653(a)(2) of the National De-
19 fense Authorization Act for Fiscal Year 1993 (Public Law
20 102–484).

1 **SEC. 657. CLARIFYING AMENDMENT REGARDING JURISDIC-**
2 **TION FOR PURPOSES OF ALLOCATION OF RE-**
3 **TIRED PAY UNDER THE UNIFORMED SERV-**
4 **ICES FORMER SPOUSE PROTECTION ACT.**

5 Section 1408(c) of title 10, United States Code, is
6 amended by striking paragraph (4).

7 **SEC. 658. OVERSEAS NATURALIZATION OF MILITARY FAM-**
8 **ILY MEMBERS.**

9 (a) Section 319 of the Immigration and Nationality
10 Act (8 U.S.C. 1430) is amended by adding at the end the
11 following new subsection:

12 “(e) In the case of a person lawfully admitted for per-
13 manent residence who is the spouse or child of a member
14 of the Armed Forces authorized to accompany such mem-
15 ber and reside abroad with the member pursuant to the
16 member’s official orders, and who is so accompanying and
17 residing with the member (in marital union if a spouse),
18 such residence and physical presence abroad shall be treat-
19 ed as residence and physical presence in any State or dis-
20 trict of the Department of Homeland Security in the
21 United States for the purpose of satisfying the require-
22 ments of this section or sections 316 or 322 of this Act
23 for naturalization, and for the purpose of satisfying sec-
24 tion 101(a)(13)(C)(i) or (ii) of this Act.”.

25 (b) OVERSEAS NATURALIZATION AUTHORITY.—Sec-
26 tion 1701(d) of the National Defense Authorization Act

1 for Fiscal Year 2004 (Public Law 108–136; 8 U.S.C.
2 1443a) is amended by inserting “, and persons eligible for
3 naturalization under section 319(e) of the Immigration
4 and Nationality Act,” after “Armed Forces”.

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall take effect on the date of enactment of
7 this Act and apply to any application pending before the
8 Secretary of Homeland Security on or after the date of
9 enactment.

10 **TITLE VII—HEALTH CARE** 11 **PROVISIONS**

12 **TRICARE Program Improvements**

13 **SEC. 701. REVISING TRICARE PROGRAM COST SHARING** 14 **AMOUNTS.**

15 (a) AUTHORITY.—Section 1086(b) of title 10, United
16 States Code, is amended by adding at the end the fol-
17 lowing new paragraph:

18 “(5) Notwithstanding paragraphs (1) through
19 (4), the Secretary of Defense shall promulgate regu-
20 lations to revise the requirements for payments by
21 beneficiaries under this subsection in order to reflect
22 increases in health care costs. Such requirements,
23 which may include a revised deductible amount, an
24 enrollment fee, and future indexing, need not be uni-
25 form for all such beneficiaries. Any such enrollment

1 fee may be a condition of eligibility for health care
2 benefits under chapter 55 of this title.”.

3 (b) IMPLEMENTATION.—The Secretary of Defense
4 shall promulgate the regulations required by section
5 1086(b)(5) of title 10, United States Code, as added by
6 subsection (a), after first considering the recommenda-
7 tions of the Task Force on the Future of Military Health
8 Care regarding the beneficiary and Government cost shar-
9 ing structure required to sustain military health benefits
10 over the long term, as required by subsections (c)(3)(H)
11 and (e)(1) of section 711 of the John Warner National
12 Defense Authorization Act for Fiscal Year 2007 (Public
13 Law 109–364; 120 Stat. 2285). The regulations shall be-
14 come effective not later than 90 days after the date of
15 enactment of this Act. The Secretary shall submit the reg-
16 ulations, and a report describing the rationale for the
17 changes promulgated, to the Committees on Armed Serv-
18 ices of the Senate and House of Representatives at least
19 30 days before such regulations become effective.

20 **SEC. 702. EXCLUSION OF SURROGACY MATERNITY AND IN-**
21 **FANT CARE.**

22 (a) IN GENERAL.—Chapter 55 of title 10, United
23 States Code, is amended by inserting after section 1074k
24 the following new section:

1 **“§ 1074l. Exclusion of surrogacy maternity and infant**
2 **care**

3 “(a) IN GENERAL.—Health care services, including
4 pre-natal care, maternity care, and newborn infant care,
5 arising from a surrogate pregnancy are excluded under
6 this chapter.

7 “(b) EMERGENCY HEALTH CARE SERVICES.—Sub-
8 section (a) does not preclude the provision of emergency
9 health care services in facilities of the uniformed services
10 on a reimbursable basis.

11 “(c) DEFINITION.—As used in this section, the term
12 ‘surrogate pregnancy’ means a pregnancy in which a fer-
13 tile woman who is not the wife of the sperm donor agrees,
14 whether or not for a fee, to be impregnated for the purpose
15 of carrying to term a child to be surrendered to the care
16 of the sperm donor and his wife or to any other person
17 or persons.”.

18 (b) CLERICAL AMENDMENT.—The table of sections
19 at the beginning of such chapter is amended by inserting
20 after the item related to section 1074k the following new
21 item:

“1074l. Exclusion of surrogacy maternity and infant care.”.

1 **SEC. 703. SUSPENSION OF HEALTH CARE ELIGIBILITY FOR**
2 **FRAUD.**

3 (a) IN GENERAL.—Section 1073 of title 10, United
4 States Code, is amended by adding at the end the fol-
5 lowing new subsection:

6 “(c) SUSPENSION OF HEALTH CARE ELIGIBILITY
7 FOR FRAUD.—In the case of any covered beneficiary who
8 knowingly makes or causes to be made or conspires, aids,
9 or assists in, agrees to, arranges for, or in any way pro-
10 cures the making or presentation of a false or fraudulent
11 affidavit, declaration, certificate, statement, voucher, or
12 paper (including by electronic means) concerning any
13 claim for benefits for such covered beneficiary or his or
14 her dependent under this chapter, the Secretary may at
15 his option, notwithstanding any other provision of this
16 chapter, limit, restrict, or suspend the eligibility under this
17 chapter of that covered beneficiary for such period, not
18 exceeding five years, as the Secretary deems appropriate.
19 The Secretary shall, after consultation with the other ad-
20 ministering Secretaries, establish by regulation proce-
21 dures, including notice and opportunity for a hearing, for
22 the implementation of this subsection.”.

23 (b) EFFECTIVE DATE.—The amendment made by
24 subsection (a) shall take effect 90 days after enactment
25 of this Act.

1 **TITLE VIII—ACQUISITION POL-**
2 **ICY, ACQUISITION MANAGE-**
3 **MENT, AND RELATED MAT-**
4 **TERS**

5 **Subtitle A—Acquisition Policy and**
6 **Management**

7 **SEC. 801. UNIFIED COMBATANT COMMAND FOR JOINT**
8 **WARFIGHTING EXPERIMENTATION: ACQUI-**
9 **TION AUTHORITY.**

10 Section 167a of title 10, United States Code, is
11 amended—

- 12 (1) in subsection (a), by striking “and acquire”
13 and inserting “, acquire and sustain”; and
14 (2) by striking subsection (f).

15 **SEC. 802. LIMITED AUTHORIZATION TO ACQUIRE ITEMS**
16 **PRODUCED IN IRAQ OR AFGHANISTAN FOR**
17 **USE BY IRAQI OR AFGHANI FORCES.**

18 Notwithstanding any other provision of law, the head
19 of the contracting activity in Iraq or Afghanistan may au-
20 thorize the use of funds appropriated or otherwise made
21 available to the Department of Defense for the procure-
22 ment of any article or item covered by subparagraphs (B)
23 through (E) of section 2533a(b)(1) of title 10, United
24 States Code, that is grown, reprocessed, reused, or pro-
25 duced outside the United States, provided that:

1 (1) such procurement is conducted in Iraq or
2 Afghanistan in support of contingency operations;

3 (2) such article or item is grown, reprocessed,
4 reused, or produced in Iraq or Afghanistan;

5 (3) such article or item is to be used only by
6 the military forces, police, or other security per-
7 sonnel of the nation of Iraq or Afghanistan; and

8 (4) offers are requested from as many potential
9 sources as is practicable under the circumstances.

10 **SEC. 803. AUTHORITY TO USE SIMPLIFIED ACQUISITION**
11 **PROCEDURES FOR CERTAIN COMMERCIAL**
12 **ITEMS.**

13 Section 4202 of the Clinger Cohen Act (division D
14 of Public Law 104–106; 110 Stat. 652; 10 U.S.C. 2304
15 note) is amended by striking subsection (e).

16 **SEC. 804. MINIMUM ANNUAL PURCHASE FOR CIVIL RE-**
17 **SERVE AIR FLEET CONTRACTS.**

18 (a) IN GENERAL.—Chapter 931 of title 10, United
19 States Code, is amended by adding at the end the fol-
20 lowing new section:

21 **“§ 9515. Minimum annual purchase for Civil Reserve**
22 **Air Fleet contracts**

23 “(a) IN GENERAL.—The Secretary of Defense is au-
24 thorized to award to air carriers or air carrier teaming
25 arrangements (carriers) participating in the Civil Reserve

1 Air Fleet (CRAF) program annual airlift contracts with
2 a minimum purchase amount determined in accordance
3 with this section.

4 “(b) MINIMUM ANNUAL CONTRACT AWARDS.—Such
5 contract minimum purchase amount shall be based on
6 forecast needs but may not be for more than eighty per-
7 cent of the annual average expenditures of airlift for the
8 prior 5-year period. Unusually high demand years, such
9 as during a conflict, will normally be omitted to obtain
10 a more accurate forecast. Award amounts shall be divided
11 among said carriers proportional to their relative commit-
12 ments to the CRAF program.

13 “(c) DISTRIBUTION OF AMOUNTS.—Should any of
14 the amounts set aside for the annual minimum airlift pur-
15 chase not be utilized to purchase actual transportation
16 from a carrier to whom said contract is awarded, such re-
17 mainder must be transferred to the carrier; however, pro-
18 portional adjustment shall be made for periods when serv-
19 ices from the carrier were unavailable for usage by the
20 Department of Defense, such as refused business, sus-
21 pended operations, or when the air carrier is placed in
22 non-use status pursuant to section 2640 of this title for
23 safety issues. If the cumulative annual purchases of actual
24 transportation services exceed the minimum annual con-

1 tract amount for a carrier, no additional amount will be
2 transferred.

3 “(d) MERGER OF FUNDS.—Amounts available to the
4 military departments for transportation equal to the pro-
5 portional share of usage by each military department shall
6 be transferred to the transportation working capital fund
7 to fund the award of said contracts. Each military depart-
8 ment shall be entitled to obtain transportation of equal
9 value or transfer that entitlement to other military depart-
10 ments or Department of Defense units. Such transferred
11 value shall be merged with the appropriations of the re-
12 ceiving unit.”.

13 (b) CLERICAL AMENDMENT.—The table of sections
14 at the beginning of such chapter is amended by adding
15 at the end the following new item:

“9515. Minimum annual purchase for Civil Reserve Air Fleet contracts.”.

16 **SEC. 805. STREAMLINE JURISDICTION OVER GOVERNMENT**
17 **CONTRACT CLAIMS, DISPUTES AND APPEALS**
18 **ARISING OUT OF MARITIME CONTRACTS.**

19 Section 4 of the Contract Disputes Act of 1978 (41
20 U.S.C. 603) is amended to read as follows:

21 “SEC. 4. Appeals under subsection (g) of section 8
22 and suits under section 10 arising out of maritime con-
23 tracts shall be governed exclusively by this Act.”.

1 **SEC. 806. REVISIONS TO REQUIRED RECEIPT OBJECTIVES**
2 **FOR PREVIOUSLY AUTHORIZED DISPOSALS**
3 **FROM THE NATIONAL DEFENSE STOCKPILE.**

4 (a) FISCAL YEAR 2000 DISPOSAL AUTHORITY.—
5 Paragraph (5) of section 3402(b) of the National Defense
6 Authorization Act for Fiscal Year 2000 (Public Law 106–
7 65; 50 U.S.C. 98d note), as amended by section 3302 of
8 the National Defense Authorization Act for Fiscal Year
9 2006 (Public Law 109–163; 119 Stat. 3546), is amended
10 by striking “\$600,000,000 before” and inserting
11 “\$730,000,000 by”.

12 (b) FISCAL YEAR 1999 DISPOSAL AUTHORITY.—Sec-
13 tion 3303(a) of the Strom Thurmond National Defense
14 Authorization Act for Fiscal Year 1999 (Public Law 105–
15 261; 50 U.S.C. 98d note), as amended by section 3302(a)
16 of the John Warner National Defense Authorization Act
17 for Fiscal Year 2007 (Public Law 109–364; 120 Stat.
18 2513), is amended by striking “\$1,016,000,000” in para-
19 graph (7) and inserting “\$1,469,102,000”.

1 **Subtitle B—Amendments to Gen-**
2 **eral Contracting Authorities,**
3 **Procedures, and Limitations**

4 **SEC. 811. REPEALING THE SUNSET PROVISION OF THE AC-**
5 **QUISITION WORKFORCE TRAINING FUND.**

6 Section 37(h)(3) of the Office of Federal Procure-
7 ment Policy Act (41 U.S.C. 433(h)(3)) is striking sub-
8 paragraph (H).

9 **SEC. 812. REVITALIZATION OF DEPARTMENT OF DEFENSE**
10 **LABORATORIES.**

11 (a) **LABORATORY REVITALIZATION.**—Section 2805 of
12 title 10, United States Code, is amended—

13 (1) by redesignating subsection (d) as sub-
14 section (e); and

15 (2) by inserting after subsection (e) the fol-
16 lowing new subsection (d):

17 “(d) **LABORATORY REVITALIZATION.**—(1) For the
18 revitalization and recapitalization of laboratories owned by
19 the United States and under the jurisdiction of the Sec-
20 retary concerned, the Secretary may spend from appro-
21 priations available—

22 “(A) for operation and maintenance amounts
23 necessary to carry out an unspecified minor military
24 construction project costing not more than
25 \$2,000,000; or

1 “(B) for military construction not otherwise au-
2 thorized by law amounts necessary to carry out an
3 unspecified minor military construction project cost-
4 ing not more than \$5,000,000.

5 “(2) For projects conducted pursuant to this sub-
6 section, \$2,000,000 shall be the amount applied for pur-
7 poses of subsection (b)(1).

8 “(3) For purposes of this subsection, the term ‘lab-
9 oratory’ includes—

10 “(A) a research, engineering, and development
11 center;

12 “(B) a test and evaluation activity; and

13 “(C) any buildings, structures, or facilities lo-
14 cated at and supporting such centers or activities.

15 “(4) For purposes of this subsection, the
16 amounts allowed to be applied in any one fiscal year
17 to projects at any one laboratory shall be limited in
18 size to the larger of the amounts applicable as set
19 forth in subsection (d)(1).”.

20 (b) **STYLISTIC AMENDMENTS.**—Such section is fur-
21 ther amended—

22 (1) in subsection (a), by inserting “**MILITARY**
23 **CONSTRUCTION FUNDING.—**” after “(a)”;

24 (2) in subsection (b), by inserting “**NOTIFICA-**
25 **TIONS.—**” after “(b)”;

1 (3) in subsection (c), by inserting “OPERATION
2 AND MAINTENANCE FUNDING.—” after “(c)”; and

3 (4) in subsection (e), as redesignated by sub-
4 section (a)(1), by inserting “LIMITATIONS.—” after
5 “(e)”.

6 **SEC. 813. EXTENSION OF THE AUTHORITY TO CARRY OUT**
7 **CERTAIN PROTOTYPE PROJECTS.**

8 Section 845(i) of the National Defense Authorization
9 Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is amend-
10 ed by striking “September 30, 2008” and inserting “Sep-
11 tember 30, 2013”.

12 **SEC. 814. QUALIFICATIONS FOR PUBLIC AIRCRAFT STATUS**
13 **OF AIRCRAFT UNDER CONTRACT WITH THE**
14 **ARMED FORCES.**

15 (a) AMENDMENT TO DEFINITION.—Section
16 40102(a)(41)(E) of title 49, United States Code, is
17 amended—

18 (1) by inserting “or an operational support
19 service” after “transportation”; and

20 (2) by adding at the end the following new sen-
21 tence: “For purposes of this paragraph, ‘an oper-
22 ational support service’ means a mission performed
23 by an air operator that uses fixed or rotary winged
24 aircraft to provide a service other than transpor-
25 tation.”.

1 (b) ARMED FORCES OPERATIONAL MISSION.—Sec-
2 tion 40125(c) of such title is amended—

3 (1) in paragraph (1)(C), by inserting “or an
4 operational support service” after “transportation”;
5 and

6 (2) by adding at the end the following new
7 paragraph:

8 “(3) COMPLIANCE OF CIVIL AIRCRAFT OPER-
9 ATIONS.—If the Secretary of Defense (or the Sec-
10 retary of the department in which the Coast Guard
11 is operating) does not make a designation under
12 paragraph (1)(C) with regard to a chartered air-
13 craft, the transportation or operational support serv-
14 ice provided to the armed forces by such aircraft
15 must be in compliance with the Federal Aviation
16 Regulations under title 14, Code of Federal Regula-
17 tions.”.

18 (c) TECHNICAL CORRECTIONS.—

19 (1) Section 40125(b) of such title is amended
20 by striking “40102(a)(37)” each place it appears
21 and inserting “40102(a)(41)”.

22 (2) Section 40125(c) of such title is amended
23 by striking “40102(a)(37)(E)” each place it appears
24 and inserting “40102(a)(41)(E)”.

1 **SEC. 815. EXTENDING THE DETERMINATION OF SHORTAGE**
2 **CATEGORY POSITIONS FOR CERTAIN FED-**
3 **ERAL ACQUISITION POSITIONS.**

4 Section 1413(b) of the National Defense Authoriza-
5 tion Act for Fiscal Year 2004 (Public Law 108–136; 117
6 Stat. 1665), is amended by striking “September 30,
7 2007” and inserting “September 30, 2012”.

8 **SEC. 816. MULTIYEAR PROCUREMENT AUTHORITY FOR**
9 **ELECTRICITY FROM RENEWABLE ENERGY**
10 **SOURCES.**

11 (a) IN GENERAL.—Section 2410o(a) of title 10,
12 United States Code, is amended—

13 (1) by striking “and hydrazine-related prod-
14 ucts” and inserting “hydrazine-related products, and
15 electricity from renewable energy sources which in-
16 clude, but are not limited to solar, wind, biomass,
17 landfill gas, ocean (including tidal, wave, current
18 and thermal), geothermal, municipal solid waste or
19 new hydroelectric generation capacity achieved from
20 increased efficiency at hydroelectric projects”; and

21 (2) by inserting before the period at the end the
22 following: “or in the best interests of the United
23 States”.

24 (b) CLERICAL AMENDMENTS.—(1) The heading of
25 such section is amended to read as follows:

1 **“§ 2410o. Multiyear procurement authority: purchase**
 2 **of dinitrogen tetroxide, hydrazine, hydra-**
 3 **zine-related products, and electricity**
 4 **from renewable energy”.**

5 (2) The table of sections at the beginning of
 6 chapter 141 of such title is amended by striking the
 7 item relating to section 2410o and inserting the fol-
 8 lowing new item:

“2410o. Multiyear procurement authority: purchase of dinitrogen tetroxide, hy-
 drazine, hydrazine-related products, and electricity from renew-
 able energy.”.

9 **SEC. 817. EXEMPTION FOR SPECIAL OPERATIONS COM-**
 10 **MAND.**

11 (a) EXEMPTION.—Chapter 6 of title 10, United
 12 States Code, is amended by inserting after section 167a
 13 the following new section:

14 **“§ 167b. Exemption for the commander of the United**
 15 **States Special Operations Command**

16 “Pursuant to section 167 of this title, the commander
 17 of the special operations command is responsible for, and
 18 has the authority to conduct all affairs of, such command
 19 relating to special operations activities. The commander
 20 of the special operations command may carry out his func-
 21 tions under section 167 without regard to sections 2401,
 22 et seq., of this title if the Secretary of Defense makes a
 23 determination that carrying out such functions in such
 24 manner is required for national security interests.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 at the beginning of such chapter is amended by adding
 3 at the end the following new item:

“167b. Exemption for the commander of the United States Special Operations
 Command.”.

4 **Subtitle C—Other Matters**

5 **SEC. 821. APPLICABILITY OF STATUTORY EXECUTIVE COM-** 6 **PENSATION CAP MADE PROSPECTIVE.**

7 Section 808(e)(2) of the National Defense Authoriza-
 8 tion Act for Fiscal Year 1998 (Public Law 105–85; 111
 9 Stat. 1838; 41 U.S.C. 435) is amended by striking “be-
 10 fore, on,” and inserting “on”.

11 **SEC. 822. AUTHORITY TO APPOINT AN ACTING CHAIR FOR** 12 **THE COST ACCOUNTING STANDARDS BOARD.**

13 Paragraph (1) of section 26(a) of the Office of Fed-
 14 eral Procurement Policy Act (41 U.S.C. 422(a)(1)) is
 15 amended by striking “The Board shall consist of 5 mem-
 16 bers, including the Administrator, who shall serve as
 17 Chairman, and 4 members, all of whom shall have experi-
 18 ence in Government contract cost accounting, and who
 19 shall be appointed as follows:” and inserting “The Board
 20 shall consist of the Chair and 4 other members. The Chair
 21 shall be the Administrator. However, for those time peri-
 22 ods in which the Administrator position is vacant, the Di-
 23 rector of the Office of Management and Budget may ap-
 24 point an employee of the Office of Management and Budg-

1 et to serve as Chair. The 4 other members, all of whom
 2 shall have experience in Government contract cost ac-
 3 counting, shall be appointed as follows:”.

4 **SEC. 823. SMALL BUSINESS INNOVATION RESEARCH**
 5 **AWARDS; USE OF PROGRAM FUNDS FOR AD-**
 6 **MINISTRATIVE COSTS.**

7 Section 9 of the Small Business Act (15 U.S.C. 638)
 8 is amended—

9 (1) in subsection (f)(2)(A), by striking “any”
 10 and inserting “more than 3.0 percent”; and

11 (2) in subsection (n)(2)(A), by striking “any”
 12 and inserting “more than 3.0 percent”.

13 **SEC. 824. SMALL BUSINESS INNOVATION RESEARCH PRO-**
 14 **GRAM; DISCRETIONARY TECHNICAL ASSIST-**
 15 **ANCE.**

16 Section 9(q)(3) of the Small Business Act (15 U.S.C.
 17 638(q)(3)) is amended—

18 (1) in subparagraph (A), by striking “\$4,000”
 19 and inserting “\$5,000”; and

20 (2) by amending subparagraph (B) to read as
 21 follows:

22 “(B) SECOND PHASE.—Each agency re-
 23 ferred to in paragraph (1) may provide directly,
 24 or authorize any second phase SBIR award re-
 25 cipient to purchase with funds available from

1 their SBIR awards, services described in para-
2 graph (1), in an amount equal to not more than
3 \$8,000 per year, per award.”.

4 **TITLE IX—DEPARTMENT OF DE-**
5 **FENSE ORGANIZATION AND**
6 **MANAGEMENT**

7 **Subtitle A—Department of Defense**
8 **Management**

9 **SEC. 901. DEPARTMENT OF DEFENSE BOARD OF ACTU-**
10 **ARIES.**

11 (a)(1) ESTABLISHMENT.—There is established in the
12 Department of Defense a Department of Defense Board
13 of Actuaries (hereinafter in this section referred to as the
14 “Board”). The Board shall consist of three members who
15 shall be appointed by the President from among qualified
16 professional actuaries who are members of the Society of
17 Actuaries.

18 (2)(A) Except as provided in subparagraph (B), the
19 members of the Board shall serve for a term of 15 years,
20 except that a member of the Board appointed to fill a va-
21 cancy occurring before the end of the term for which his
22 predecessor was appointed shall only serve until the end
23 of such term. A member may serve after the end of his
24 term until his successor has taken office. A member of
25 the Board may be removed by the President.

1 (B) The three current members of the Department
2 of Defense Retirement Board of Actuaries and the De-
3 partment of Defense Education Benefits Board of Actu-
4 aries shall serve the remainder of their existing terms as
5 members of the Board pursuant to subparagraph (A).

6 (C) A member of the Board who is not otherwise an
7 employee of the United States is entitled to receive pay
8 at the daily equivalent of the annual rate of basic pay of
9 the highest rate of basic pay then currently being paid
10 under the General Schedule of subchapter III of chapter
11 53 of title 5, United States Code, for each day the member
12 is engaged in the performance of duties vested in the
13 Board and is entitled to travel expenses, including a per
14 diem allowance, in accordance with section 5703 of title
15 5.

16 (b) REPORT.—The Board shall report to the Sec-
17 retary of Defense annually on the actuarial status of the
18 Department of Defense Military Retirement Fund estab-
19 lished by section 1461 of title 10, United States Code, and
20 the Department of Defense Education Benefits Fund es-
21 tablished by section 2006 of title 10, and shall furnish
22 its advice and opinion on matters referred to it by the Sec-
23 retary.

1 (c) RECORDS.—The Secretary shall keep, or cause to
2 be kept, such records as necessary for determining the ac-
3 tuarial status of the Funds.

4 (d) DOD EDUCATION BENEFITS FUND.—The Board
5 shall review valuations of the Department of Defense Edu-
6 cation Benefits Fund under section 2006(f) of title 10,
7 United States Code, and shall recommend to the President
8 and thereafter to the Congress such changes as in the
9 Board’s judgment are appropriate and necessary to pro-
10 tect the public interest and maintain the Department of
11 Defense Education Benefits Fund on a sound actuarial
12 basis.

13 (e) DOD MILITARY RETIREMENT FUND.—The
14 Board shall review valuations of the Department of De-
15 fense Military Retirement Fund under section 1465(c) of
16 title 10, United States Code, and shall report periodically,
17 not less than once every four years, to the President and
18 thereafter to the Congress on the status of the Depart-
19 ment of Defense Military Retirement Fund. The Board
20 shall include in such report recommendations for such
21 changes as in the Board’s judgment are appropriate and
22 necessary to protect the public interest and maintain the
23 Department of Defense Military Retirement Fund on a
24 sound actuarial basis.

1 (f) REPEAL OF SUPERCEDED PROVISIONS.—(1) Sec-
2 tion 1464 of title 10, United States Code, is repealed.

3 (2) Section 2006 of title 10 is amended by striking
4 subsection (e).

5 (g) CONFORMING AMENDMENTS.—

6 (1) The table of sections at the beginning of
7 chapter 74 of title 10, United States Code, is
8 amended by striking the item relating to section
9 1464.

10 (2) Section 1175(h)(4) of such title is amended
11 by striking “Retirement” the first place it appears.

12 (3) Section 1460(b) of such title is amended by
13 striking “Retirement”.

14 (4) Section 1466(c)(3) of such title is amended
15 by striking “Retirement”.

16 (5) Section 12521(6) of such title is amended
17 by striking “Department of Defense Education Ben-
18 efits Board of Actuaries referred to in section
19 2006(e)(1) of this title” and inserting “Department
20 of Defense Board of Actuaries”.

21 **SEC. 902. LIMITATION ON MAJOR DEPARTMENT OF DE-**
22 **FENSE HEADQUARTERS ACTIVITIES PER-**
23 **SONNEL.**

24 Section 130a of title 10, United States Code, is
25 amended—

1 (1) in subsection (c)(2), by striking “as Major
2 DoD Headquarters Activities in accordance with De-
3 partment of Defense Directive 5100.73” and all that
4 follows through the period at the end and inserting
5 “in regulations prescribed by the Secretary of De-
6 fense.”; and

7 (2) by adding at the end the following new sub-
8 section:

9 “(e) FLEXIBILITY IN ORDER TO ACHIEVE COST SAV-
10 INGS OR ELIMINATE CONTRACTS ASSOCIATED WITH IN-
11 HERENTLY GOVERNMENTAL FUNCTIONS.—If the Sec-
12 retary of a military department or the commander of a
13 combatant command certifies to the Secretary of Defense
14 that a waiver of the limitation in subsection (a) or a re-
15 allocation among the military departments or combatant
16 commands of the number of personnel permissible under
17 subsection (a) either shall result in a cost savings or is
18 necessary to eliminate a contract associated with an inher-
19 ently governmental function (including cost savings or the
20 elimination of a contract resulting from guidelines and
21 procedures prescribed pursuant to section 343 of the Na-
22 tional Defense Authorization Act for Fiscal Year 2006
23 (Public Law 109–163)), the Secretary of Defense shall
24 waive such limitation or make such reallocation to the ex-

1 tent necessary to achieve the cost savings or to eliminate
2 the contract.”.

3 **SEC. 903. FLEXIBILITY TO ADJUST THE NUMBER OF ARMY**
4 **DEPUTY CHIEFS OF STAFF AND ASSISTANT**
5 **CHIEFS OF STAFF.**

6 Section 3035(b) of title 10, United States Code, is
7 amended to read as follows:

8 “(b) The Secretary of the Army shall prescribe the
9 number of Deputy Chiefs of Staff and Assistant Chiefs
10 of Staff, for a total of not more than eight positions.”.

11 **SEC. 904. RECEIPTS FOR EMPLOYEES AND MILITARY MEM-**
12 **BERS OF THE DEPARTMENT OF DEFENSE.**

13 (a) IN GENERAL.—Chapter 53 of title 10, United
14 States Code, is amended by adding at the end the fol-
15 lowing new section:

16 **“§ 1060c. Receipts for employees and military mem-**
17 **bers of the Department of Defense**

18 “Notwithstanding the provisions of section 6051 of
19 title 26, and pursuant to regulations prescribed by the
20 Secretary of Defense, all statements required by section
21 6051 of title 26, and all periodic statements of leave and
22 earnings, shall be furnished electronically to military mem-
23 bers and civilian employees of the Department of Defense.
24 The Secretary of Defense shall ensure that those employ-
25 ees or military members without reliable access to elec-

1 tronic media will receive the statements in another for-
2 mat.”.

3 (b) CLERICAL AMENDMENT.—The table of sections
4 at the beginning of such chapter is amended by adding
5 at the end the following new item:

“1060c. Receipts for employees and military members of the Department of De-
fense.”.

6 **SEC. 905. CENTERS FOR EXCELLENCE IN HUMAN RIGHTS.**

7 (a) ESTABLISHMENT.—The Secretary of Defense
8 may operate Centers for Excellence in Human Rights.

9 (b) MISSIONS.—

10 (1) The Human Rights Centers shall be used to
11 provide and facilitate education, training, research,
12 and reform, and to develop programs to combat the
13 growing phenomenon of trafficking in persons, and
14 strategic planning for integrating respect for human
15 rights into all aspects of military operations, doc-
16 trine, education, judicial systems, other internal con-
17 trol mechanisms, and relations with civil society.

18 (2) The Human Rights Centers may sponsor
19 conferences, symposia, seminars, academic ex-
20 changes, and courses, as well as special projects
21 such as studies, reviews, design of curricula, and
22 evaluations.

23 (3) The Human Rights Centers will place spe-
24 cial emphasis on implementation of reforms that re-

1 sult in measurable real world improvements pro-
2 viding effective security while respecting human
3 rights.

4 (4) The Centers may perform such other mis-
5 sions as the Secretary of Defense may specify.

6 (c) JOINT OPERATION WITH EDUCATIONAL INSTITU-
7 TIONS AND NON-GOVERNMENTAL ORGANIZATIONS AU-
8 THORIZED.—The Secretary of Defense may enter into
9 agreements with appropriate officials of institutions of
10 higher education and non-governmental organizations to
11 provide for joint operation of the Centers. Any such agree-
12 ments shall provide for the institution or organization to
13 furnish necessary administrative services for the Centers,
14 including administration and allocation of funds.

15 (d) ACCEPTANCE OF DONATIONS.—

16 (1) Except as provided in paragraph (2), the
17 Secretary of Defense may accept, on behalf of the
18 Centers, gifts and donations to be used to defray the
19 costs of the Centers or to enhance the operation of
20 the Centers. Such donations may be accepted from
21 any State or local government, any foreign govern-
22 ment, any foundation or other charitable organiza-
23 tion (including any that is organized or operates
24 under the laws of a foreign country), or any other

1 private source in the United States or a foreign
2 country.

3 (2) The Secretary may not accept a gift or do-
4 nation under paragraph (1) if the acceptance of the
5 gift or donation would compromise or appear to
6 compromise—

7 (A) the ability of the Department of De-
8 fense, any employee of the Department, or
9 members of the Armed Forces, to carry out any
10 responsibility or duty of the Department in a
11 fair and objective manner; or

12 (B) the integrity of any program of the
13 Department of Defense or of any person in-
14 volved in such a program.

15 (3) The Secretary shall prescribe written guid-
16 ance setting forth the criteria to be used in deter-
17 mining whether or not the acceptance of a foreign
18 gift or donation would have a result described in
19 paragraph (2).

20 (4) Funds accepted by the Secretary under
21 paragraph (1) shall be credited to appropriations
22 available to the Department of Defense for the Cen-
23 ters. Funds so credited shall be merged with the ap-
24 propriations to which credited and shall be available

1 for the Center for the same purposes and the same
2 period as the appropriations with which merged.

3 (e) GIFT OR DONATION DEFINED.—For purposes of
4 this section, a gift or donation is a gift or donation of
5 funds, materials (including research materials), property,
6 or services (including lecture services and faculty services).

7 (f) FORMULATION AND EXECUTION OF PROGRAMS.—

8 (1) The Secretary of Defense may exercise the
9 authorities of this section only with the concurrence
10 of the Secretary of State.

11 (2) The Secretaries of Defense and State shall
12 jointly formulate any program or other activities un-
13 dertaken pursuant to the authority of this section.
14 The Secretaries shall coordinate with one another,
15 under procedures that they jointly establish, to en-
16 sure implementation of such programs and activities,
17 including in a manner that incorporates appropriate
18 vetting procedures, irrespective of the source of
19 funding for the activity, and that avoids duplication
20 with existing programs.

1 **Subtitle B—Chemical**
2 **Demilitarization Program**

3 **SEC. 911. CHANGE IN TERMINATION REQUIREMENT FOR**
4 **CHEMICAL DEMILITARIZATION CITIZENS' AD-**
5 **VISORY COMMISSIONS.**

6 Section 172 of the National Defense Authorization
7 Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat.
8 2341) is amended—

9 (1) in subsections (b), (f), and (g), by striking
10 “Assistant Secretary of the Army (Research, Devel-
11 opment, and Acquisition)” and inserting “Assistant
12 Secretary of the Army (Acquisition, Logistics, and
13 Technology)”; and

14 (2) in subsection (h), by striking “after the
15 stockpile located in that commission’s State has been
16 destroyed” and inserting “after closure activities re-
17 quired pursuant to regulations promulgated by the
18 Administrator of the Environmental Protection
19 Agency pursuant to the Solid Waste Disposal Act
20 (42 U.S.C. 6901 et seq.) have been completed for
21 the chemical agent destruction facility in the com-
22 mission’s State, or upon the request of the Governor
23 of the commission’s State, whichever occurs first”.

1 (9) Section 426(b)(2).

2 (10) Section 441(c).

3 (11) Section 441(d).

4 (12) Section 443(d).

5 (13) Section 2273(b)(1).

6 (14) Section 2723(a).

7 (b) REFERENCES TO HEAD OF CENTRAL INTEL-
8 LIGENCE AGENCY.—Such title is further amended by
9 striking “Director of Central Intelligence” each place it
10 appears in the following provisions and inserting “Director
11 of the Central Intelligence Agency”:

12 (1) Section 431(b)(1).

13 (2) Section 444.

14 (c) OTHER AMENDMENTS.—Section 201 of such title
15 is further amended—

16 (1) in subsection (b), by amending paragraph
17 (1) to read as follows:

18 “(1) In the event of a vacancy in a position re-
19 ferred to in paragraph (2), before appointing an in-
20 dividual to fill the vacancy or recommending to the
21 President an individual to be nominated to fill the
22 vacancy, the Secretary of Defense shall obtain the
23 concurrence of the Director of National Intelligence
24 as provided in section 106(b) of the National Secu-
25 rity Act of 1947 (50 U.S.C. 403–6(b)).”; and

1 (2) in subsection (c), by striking “National For-
2 eign Intelligence Program” and inserting “National
3 Intelligence Program”.

4 **SEC. 923. PROTECTION OF INFORMATION REGARDING**
5 **WEAPONS OF MASS DESTRUCTION.**

6 (a) PROHIBITION FROM DISCLOSURE UNDER FREE-
7 DOM OF INFORMATION ACT.—Information in the posses-
8 sion of the Department of Defense concerning weapons of
9 mass destruction, as defined in subsection (d) of this sec-
10 tion, shall not be disclosed under section 552 of title 5,
11 United States Code (commonly referred to as the Freedom
12 of Information Act (FOIA)) for the period of time the sen-
13 sitivity of the information can be reasonably confirmed.
14 Any information controlled under the Atomic Energy Act
15 of 1954, as amended, is exempt from the provisions of this
16 Act. This exemption shall be implemented in a manner
17 so as to not unduly restrict the public’s current level of
18 access to environmental impact statements, records con-
19 cerning healthcare activities, or other information essen-
20 tial to inform official decision-making concerning the
21 health and safety of the public.

22 (b) REQUIREMENT FOR SAFEGUARDING.—The De-
23 partment of Defense shall safeguard information con-
24 cerning weapons of mass destruction commensurate with
25 the sensitivity of the information concerned and shall take

1 all reasonable actions to ensure parties outside the Federal
2 government with whom the Department shares such infor-
3 mation safeguard it in the same manner.

4 (c) APPLICATION OF STATE OR LOCAL DISCLOSURE
5 LAWS.—Information subject to this section that the De-
6 partment has provided to State and local authorities shall
7 not be made available pursuant to any State or local law
8 requiring disclosure of information or records.

9 (d) DEFINITIONS.—In this section:

10 (1) The term “weapon of mass destruction” has
11 the same meaning as given in the Defense Against
12 Weapons of Mass Destruction Act of 1996 (50
13 U.S.C. 2302).

14 (2) The term “information concerning weapons
15 of mass destruction” means information that—

16 (A) would assist in developing, producing,
17 or using weapons of mass destruction or in
18 evading the detection or the monitoring of the
19 development, production, use, or presence of
20 weapons of mass destruction; or

21 (B) would disclose a vulnerability to the ef-
22 fects of a weapon of mass destruction; and

23 (C) has been determined to be currently
24 sensitive by an official designated as an Initial
25 Denial Authority for the Department of De-

1 fense component concerned pursuant to Depart-
2 ment of Defense Directive 5400.7–R, “DoD
3 Freedom of Information Act Program”, Sep-
4 tember 1998, or successor directive.

5 Examples of such information could include informa-
6 tion that remains current and sensitive, such as but
7 not limited to, formulas and design descriptions of
8 lethal and incapacitating materials; maps, designs,
9 security/emergency response plans, and vulnerability
10 assessments for facilities containing weapons of
11 mass destruction materials; studies of the effects
12 and possible methods of weaponization of weapons of
13 mass destruction materials; design details, capabili-
14 ties, and application of detection, surveillance, coun-
15 termeasures, and measurement equipment or plans;
16 United States Government evaluations of response
17 plans of State and local governments; and evaluation
18 of weapons of mass destruction dispersal systems or
19 methods.

20 (e) REPORTING.—Ninety days following the one-year
21 anniversary of the effective date of this section, the De-
22 partment of Defense will provide to the Department of
23 Justice and the Office of Management and Budget a re-
24 port detailing the number of FOIA requests received for
25 information covered under this section, a description of

1 the information requested, and specific actions taken as
2 a result of the request.

3 **SEC. 924. PROHIBITION ON DISCLOSURE OF CERTAIN GEO-**
4 **DETTIC PRODUCTS.**

5 Section 455 of title 10, United States Code, is
6 amended by adding at the end the following new sub-
7 sections:

8 “(d) PROHIBITION ON DISCLOSURE OF GEODETIC
9 PRODUCTS.—Any person, including any current and
10 former government and contractor personnel, who know-
11 ingly distributes, transfers or engages in the sale of any
12 product that the Secretary of Defense has withheld from
13 the public in accordance with subsection (b) shall be sub-
14 ject to the penalties and administrative actions set forth
15 in subsection (e).

16 “(e) PENALTIES AND ADMINISTRATIVE SANC-
17 TIONS.—(1) CRIMINAL PENALTIES.—Whoever engages in
18 conduct constituting a violation of subsection (b) or (d)
19 shall be imprisoned for not more than 5 years or fined
20 as provided under title 18, or both.

21 “(2) CIVIL PENALTIES.—The Attorney General may
22 bring a civil action in an appropriate United States dis-
23 trict court against any person who engages in conduct con-
24 stituting a violation of subsection (b) or (d). Upon proof
25 of such conduct by a preponderance of the evidence, the

1 person is subject to a civil penalty. An individual who en-
 2 gages in such conduct is subject to a civil penalty of not
 3 more than \$50,000 for each violation plus twice the
 4 amount of compensation that the individual received or of-
 5 fered for the prohibited conduct. An organization that en-
 6 gages in such conduct is subject to a civil penalty of not
 7 more than \$500,000 for each violation plus twice the
 8 amount of compensation that the organization received or
 9 offered for the prohibited conduct.”.

10 **TITLE X—GENERAL PROVISIONS**

11 **Subtitle A—Financial Matters**

12 **SEC. 1001. REPEAL OF REQUIREMENT FOR TWO-YEAR** 13 **BUDGET CYCLE FOR THE DEPARTMENT OF** 14 **DEFENSE.**

15 Section 1405 of the Department of Defense Author-
 16 ization Act, 1986 (Public Law 99–145; 99 Stat. 744; 31
 17 U.S.C. 1105 note) is repealed.

18 **SEC. 1002. SHORT-TERM INVESTMENT OF BURDEN SHAR-** 19 **ING CONTRIBUTIONS FROM REPUBLIC OF** 20 **KOREA.**

21 Section 2350j(b) of title 10, United States Code, is
 22 amended—

23 (1) by striking “Contributions” and inserting
 24 “(1) Contributions”; and

1 (2) by inserting at the end the following new
2 paragraph:

3 “(2) The Secretary of Defense may authorize
4 the deposit of contributions accepted under sub-
5 section (a) from the Republic of Korea in Korean
6 Won into an account that is interest bearing if the
7 contributions are invested in treasury obligations of
8 the Republic of Korea of not more than six months
9 maturity. Interest received on such accounts shall be
10 treated the same as the contributions on which the
11 interest was earned and shall be available for the
12 same purpose as those contributions.”.

13 **SEC. 1003. INCREASE LIMITATION ON ADVANCE BILLING OF**
14 **WORKING CAPITAL FUND CUSTOMERS.**

15 Section 2208(l)(3) of title 10, United States Code,
16 is amended by striking “\$1,000,000,000” and inserting
17 “\$2,000,000,000”.

18 **Subtitle B—Policy Relating to**
19 **Vessels and Shipyards**

20 **SEC. 1011. TEMPORARY WAIVER OF THE MINIMUM AIR-**
21 **CRAFT CARRIER REQUIREMENT.**

22 Section 5062(b) of title 10, United States Code, is
23 amended by inserting after the first sentence the following
24 new sentence: “Notwithstanding the preceding sentence or
25 any other provision of law, the naval combat forces of the

1 Navy may include less than 11 operational aircraft car-
2 riers for the period of time between the decommissioning
3 of the USS ENTERPRISE (CVN 65) and the commis-
4 sioning of the CVN 78.”.

5 **SEC. 1012. DISPOSALS TO FOREIGN NATIONS.**

6 The text of section 7307 of title 10, United States
7 Code, is amended to read as follows:

8 “(a) NOTIFICATION REQUIREMENTS FOR TRANS-
9 FERS OF ALL VESSELS.—The Secretary of Defense, with
10 the concurrence of the Secretary of State, may dispose of
11 a naval vessel to another nation (whether by sale, lease,
12 grant, loan, barter, transfer, or otherwise) in accordance
13 with applicable provisions of law, but only after—

14 “(1) the Secretary of Defense notifies the Com-
15 mittee on Armed Services of the Senate and the
16 Committee on Armed Services of the House of Rep-
17 resentatives in writing of the proposed disposition;
18 and

19 “(2) 30 days of continuous session of Congress
20 have expired following the date on which such notice
21 is sent to those committees.

22 “(b) CONTINUITY OF A SESSION.—For purposes of
23 subsection (a)(2), the continuity of a session of Congress
24 is broken only by an adjournment of the Congress sine
25 die, and the days on which either House is not in session

1 because of an adjournment or more than 3 days to a day
 2 certain are excluded in the computation of such 30-day
 3 period.”.

4 **Subtitle C—Counter-Drug**
 5 **Activities**

6 **SEC. 1021. USE OF FUNDS FOR COUNTER-DRUG AND**
 7 **COUNTER-TERRORISM.**

8 Section 1022(b) of the National Defense Authoriza-
 9 tion Act for Fiscal Year 2004 (Public Law 108–136; 117
 10 Stat. 1594), as amended by section 1022 of the National
 11 Defense Authorization Act for Fiscal Year 2006 (Public
 12 Law 109–163; 119 Stat. 3427), is further amended by
 13 striking “fiscal years 2006 and 2007” and inserting “fis-
 14 cal year 2008”.

15 **Subtitle D—Matters Related to**
 16 **Homeland Security**

17 **SEC. 1031. SUPPORT TO NATIONAL SPECIAL SECURITY**
 18 **EVENTS AND OTHER CRITICAL NATIONAL SE-**
 19 **CURITY ACTIVITIES.**

20 (a) IN GENERAL.—Chapter 1 of title 32, United
 21 States Code, is amended by adding at the end the fol-
 22 lowing new section:

23 **“§ 116. Defense support of civil authorities**

24 “(a) IN GENERAL.—At the request of a Federal de-
 25 partment or agency head, and when authorized by the Sec-

1 retary of Defense, the Governor of a State may employ
2 under this title units or members of the National Guard
3 of that State to provide defense support of civil authorities
4 to the requesting Federal department or agency, as speci-
5 fied in subsection (e). Subject to the exceptions in sub-
6 sections (d), the costs incurred by the National Guard
7 shall be reimbursed to the Department of Defense from
8 the appropriations available to the Federal department or
9 agency to which the support was provided. This reimburse-
10 ment will include the costs of—

11 “(1) the pay, allowances, clothing, subsistence,
12 gratuities, travel, and related expenses of personnel
13 of the National Guard of that State;

14 “(2) the operation and maintenance of the
15 equipment and facilities of the National Guard of
16 that State; and

17 “(3) the procurement of services and equip-
18 ment, and the leasing of equipment, for the National
19 Guard of that State.

20 “(b) CREDITING OF RECEIPTS.—Any funds received
21 by the Department of Defense as reimbursement for sup-
22 port provided by units or members of the National Guard
23 under this section shall be credited, at the option of the
24 Secretary of Defense, to:

1 “(1) the appropriation, fund, or account to fund
2 the support; or

3 “(2) the appropriate appropriation, fund, or ac-
4 count currently available for such purpose.

5 “(c) ACTIVITIES INCLUDED.—Defense support of
6 civil authorities activities authorized by subsection (a) in-
7 clude support provided for National Special Security
8 Events and other activities determined by the Secretary
9 of Defense as being critical to national security such as:

10 “(1) Ground reconnaissance activities;

11 “(2) Airborne reconnaissance activities;

12 “(3) Logistical support;

13 “(4) Emergency medical assistance and serv-
14 ices;

15 “(5) Communications services;

16 “(6) Security assistance and services; and

17 “(7) Air and ground transportation.

18 “(d) WAIVER OF REIMBURSEMENT.—A Federal de-
19 partment or agency to which support is provided under
20 this chapter is not required to reimburse the Department
21 of Defense for such support if the Secretary of Defense
22 waives reimbursement. The Secretary of Defense may
23 waive the reimbursement requirement under this section
24 if—

1 “(1) the support is provided in the normal
2 course of military training or operations; or

3 “(2) the support provided results in a benefit to
4 units or members of the National Guard providing
5 the support that is substantially equivalent to that
6 which would otherwise be obtained from military op-
7 erations or training.

8 “(e) REQUIREMENTS FOR REQUESTS.—Requests for
9 assistance from Federal departments or agencies under
10 this section shall be submitted to the Secretary of Defense.
11 Any such request shall include the following:

12 “(1) The specific support capability requested.

13 “(2) The duration of the requested support ac-
14 tivities.

15 “(3) A certification that the requested support
16 activities will be fully reimbursable.

17 “(4) A certification from the Governor of the
18 involved State(s) that the requested support will be
19 provided at a time when the personnel involved are
20 not in Federal service.

21 “(f) CHARACTERIZATION OF SERVICE.—All duty per-
22 formed under this section shall be considered to be full-
23 time National Guard duty under section 502(f) of this
24 title.

1 “(g) DURATION.—The period for which support may
2 be provided to a Federal department or agency under this
3 section shall be limited to 180 days. When requested by
4 the head of a Federal department or agency, the Secretary
5 of Defense may, with the concurrence of the Governor of
6 the State, extend the period of time for an additional 90
7 days to meet extraordinary circumstances.

8 “(h) TRAINING AND BENEFITS.—A member of the
9 National Guard performing duty under this section shall,
10 in addition to performing such duty, participate in the
11 training required under section 502(a) of this title. The
12 pay, allowances, and other benefits of the member while
13 participating in the training shall be the same as those
14 to which the member is entitled while performing the duty
15 under this chapter. The member is not entitled to addi-
16 tional pay, allowances, or other benefits for participation
17 in training required under section 502(a)(1) of this title.

18 “(i) TRAINING LIMITATIONS.—To ensure that the
19 use of units and personnel of the National Guard of a
20 State for activities specified in subsections (a) and (b) of
21 this section does not degrade the training and readiness
22 of such units and personnel, the following requirements
23 shall apply in determining the activities that units and
24 personnel of the National Guard of a State may perform:

1 “(1) The performance of the activities is not to
2 affect adversely the quality of that training or other-
3 wise interfere with the ability of a member or unit
4 of the National Guard to perform the military func-
5 tions of the member or unit.

6 “(2) The performance of the activities is not to
7 degrade the military skills of the members of the
8 National Guard performing those activities.

9 “(j) SUPPORT EXCLUDED.—Defense support of civil
10 authorities activities conducted under authority of this
11 section may not be provided if the provision of such sup-
12 port will affect adversely the military preparedness of the
13 United States.

14 “(k) RELATIONSHIP TO OTHER AUTHORITIES.—
15 Nothing in this chapter shall be construed as a limitation
16 on the authority of any unit of the National Guard of a
17 State, when such unit is not in Federal service, to perform
18 functions authorized to be performed by the National
19 Guard by the laws of the State concerned.

20 “(l) DEFINITIONS.—For purposes of this section:

21 “(1) The term ‘State’ means each of the several
22 States, the District of Columbia, the Commonwealth
23 of Puerto Rico, Guam or the Virgin Islands.

24 “(2) The term ‘National Special Security
25 Event’ means an event designated as such as au-

1 thorized by the President that, by virtue of its polit-
 2 ical, economic, social, or religious significance, may
 3 be the target of terrorism or other criminal activ-
 4 ity.”.

5 (b) CLERICAL AND CONFORMING AMENDMENTS.—

6 (1) The table of sections at the beginning of
 7 such chapter is amended by adding at the end the
 8 following new item:

“116. Defense support of civil authorities.”.

9 (2) Section 115 of title 10, United States Code,
 10 is amended—

11 (A) by redesignating subsection (i) (the
 12 second place it appears) as subsection (j); and

13 (B) in subsection (j), as redesignated, by
 14 inserting “or defense support of civil authorities
 15 under section 116” after “chapter 9”.

16 **Subtitle E—Other Matters**

17 **SEC. 1041. PROTECTION OF DEPARTMENT OF DEFENSE** 18 **PERSONS DESIGNATED BY THE SECRETARY** 19 **OF DEFENSE.**

20 Section 2674(b)(1) of title 10, United States Code,
 21 is amended—

22 (1) in the matter preceding subparagraph (A),
 23 by inserting after the first sentence the following
 24 new sentence: “In addition, the Secretary may au-
 25 thorize such law enforcement and security personnel

1 to provide for the physical security and protection of
2 Department of Defense personnel and others entitled
3 to Federal protection from assault and other crimes
4 of violence under Federal statutes, within or outside
5 the United States, when threat conditions cause the
6 Secretary to determine that such protection is nec-
7 essary for reasons of national security.”;

8 (2) in subparagraph (A), by striking “status;
9 and” and inserting “status within or outside the
10 United States;”;

11 (3) by striking the period at the end of sub-
12 paragraph (B) and inserting “; and”; and

13 (4) by adding at the end the following new sub-
14 paragraphs:

15 “(C) may, when providing for the physical
16 security and protection of persons under this
17 section, make arrests without a warrant for vio-
18 lations of the United States Code committed in
19 their presence to the extent otherwise author-
20 ized by law.

21 “(D) Nothing in paragraph (1) shall be
22 construed to preclude or limit, in any way, the
23 implied or inherent powers of the Secretary of
24 Defense, the duties and authorities of the
25 United States Department of State, United

1 States Secret Service or any other Federal law
2 enforcement agency.

3 “(E) The powers granted to law enforce-
4 ment and security personnel under paragraph
5 (1), who provide for the physical security and
6 protection of Department of Defense personnel
7 entitled to Federal protection from assault and
8 other crimes of violence under Federal statutes,
9 shall be exercised only in accordance with
10 guidelines approved by the Secretary and the
11 Attorney General; said powers shall be exercised
12 with the concurrence of the Department of
13 State to the extent they are exercised outside
14 the United States.”.

15 **SEC. 1042. CLARIFICATION OF JURISDICTION OF THE**
16 **UNITED STATES DISTRICT COURTS TO HEAR**
17 **BID PROTEST DISPUTES INVOLVING MARI-**
18 **TIME CONTRACTS.**

19 Section 1491 of title 28, United States Code, is
20 amended by adding at the end the following new sub-
21 section:

22 “(d) Jurisdiction over any actions described under
23 subsection (b)(1) of this section arising out of a maritime
24 contract or a proposed maritime contract shall be gov-
25 erned by this section, and shall not be subject to the juris-

1 diction of the District Courts of the United States under
2 the Act of March 9, 1920, commonly known as the ‘Suits
3 in Admiralty Act’ (41 Stat. 525; 46 U.S.C. App. 741 et
4 seq.), or the Act of March 3, 1925, commonly known as
5 the ‘Public Vessels Act’ (43 Stat. 1112; 46 U.S.C. App.
6 781 et seq.).”.

7 **SEC. 1043. CANCELLATION OF USE OF AIRCRAFT FOR PRO-**
8 **FICIENCY FLYING: LIMITATION.**

9 (a) IN GENERAL.—Section 2245 of title 10, United
10 States Code, is repealed.

11 (b) CLERICAL AMENDMENT.—The table of sections
12 at the beginning of subchapter 1 of chapter 134 of such
13 title is amended by striking the item relating to section
14 2245.

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section shall take effect on October 1, 2007.

17 **SEC. 1044. PROMPT CONVERSION OF ARMY FORCES IN HA-**
18 **WAI.**

19 (a) FINDING.—The Congress finds that the conver-
20 sion in Hawaii of the 2nd Brigade of the 25th Infantry
21 Division to a Stryker Brigade Combat Team is necessary
22 to the national defense, supports U.S. foreign policy, and
23 conforms to prior direction of Congress with regard to the
24 reorganization of the Army into a more effective fighting
25 force.

1 (b) CONVERSION.—The Secretary of the Army shall
 2 convert the 2nd Brigade of the 25th Infantry Division to
 3 a Stryker Brigade Combat Team, at its current location,
 4 and such conversion shall proceed to completion notwith-
 5 standing any other provision of law.

6 **SEC. 1045. EXPAND COOPERATIVE AGREEMENT AUTHORITY**
 7 **FOR MANAGEMENT OF CULTURAL RE-**
 8 **SOURCES TO INCLUDE OFF-INSTALLATION**
 9 **MITIGATION.**

10 (a) EXPANDED AUTHORITY.—Section 2684(a) of
 11 title 10, United States Code, is amended to read as fol-
 12 lows:

13 “(a) AUTHORITY.—(1) The Secretary of Defense or
 14 the secretary of a military department may enter into a
 15 cooperative agreement with a State, local or tribal govern-
 16 ment or other entity—

17 “(A) for the preservation, management, mainte-
 18 nance, and improvement of cultural resources; and

19 “(B) for the conduct of research regarding cul-
 20 tural resources.

21 “(2) Such cultural resources must be located—

22 “(A) on a military installation; or

23 “(B) off a military installation, but only if the
 24 cooperative agreement directly relieves or eliminates
 25 current or anticipated restrictions that would or

1 might restrict, impede, or otherwise interfere, wheth-
2 er directly or indirectly, with current or anticipated
3 military training, testing, or operations on the in-
4 stallation.

5 “(3) Activities under the cooperative agreement shall
6 be subject to the availability of funds to carry out the co-
7 operative agreement.”.

8 (b) EXPANDED DEFINITION.—Subsection (c) of such
9 section is amended by adding at the end the following new
10 paragraph:

11 “(5) An Indian sacred site, as the that term is
12 defined in section 1(b)(iii) of Executive Order
13 13007.”.

14 **TITLE XI—CIVILIAN PERSONNEL** 15 **MATTERS**

16 **SEC. 1101. COMPENSATION FOR FEDERAL WAGE SYSTEM** 17 **EMPLOYEES FOR CERTAIN TRAVEL HOURS.**

18 Section 5544(a) of title 5, United States Code, is
19 amended in the third sentence in the matter following
20 paragraph (3) by inserting “, including travel by an em-
21 ployee to such an event and the return of such employee
22 from such event to his or her official duty station,” after
23 “event”.

1 **SEC. 1102. SPECIAL BENEFITS FOR CIVILIAN EMPLOYEES**
2 **ASSIGNED ON DEPLOYMENT TEMPORARY**
3 **CHANGE OF STATION.**

4 (a) **AUTHORITY.**—Subchapter II of chapter 57 of title
5 5, United States Code, is amended by inserting after sec-
6 tion 5737 the following new section:

7 **“§ 5737a. Civilian employees deployed in contingency**
8 **operations: quarters, rations, and other**
9 **benefits**

10 “(a) **COVERED EMPLOYEES.**—This section applies to
11 civilian employees in the Executive Branch who are as-
12 signed on a temporary change of station in support of a
13 contingency operation in an overseas location.

14 “(b) **QUARTERS AND RATIONS AT DEPLOYMENT**
15 **DUTY STATION.**—The head of an agency may provide an
16 employee assigned as described in subsection (a) with
17 quarters and rations, without charge, during the period
18 of the assignment.

19 “(c) **STORAGE OF PRIVATELY OWNED VEHICLE.**—
20 The head of an agency, during the period an employee
21 is assigned as described in subsection (a) and for such
22 additional period as determined by the head of an agency,
23 may provide for the storage without charge, or reimburse
24 an employee for the storage, of one motor vehicle that is
25 owned or leased by the employee (or a dependent of the
26 employee) and is for the personal use of the employee.

1 Only one vehicle per employee may be stored under this
2 provision.

3 “(d) RELATIONSHIP TO OTHER PAY AND ALLOW-
4 ANCES.—A payment, quarters, allowance, or benefit under
5 this section may be provided in addition to any other pay,
6 allowance, or benefit to which the employee is entitled.

7 “(e) REGULATIONS.—The Administrator of the Gen-
8 eral Services Administration shall prescribe regulations to
9 carry out this section.

10 “(f) DEFINITIONS.—In this section:

11 “(1) The term ‘civilian employee’ has the mean-
12 ing given the term ‘employee’ in section 2105(a) of
13 this title.

14 “(2) The term ‘temporary change of station’
15 means an assignment from the employee’s official
16 duty station to a temporary duty station for which
17 an employee receives payments under section 5737
18 of this title.”.

19 (b) CLERICAL AMENDMENT.—The table of sections
20 at the beginning of chapter 57 of such title is amended
21 by inserting after the item relating to section 5737 the
22 following new item:

“5737a. Civilian employees deployed in contingency operations: quarters, ra-
tions, and other benefits.”.

1 **SEC. 1103. AUTHORITY TO WAIVE LIMITATION ON PREMIUM**
2 **PAY FOR FEDERAL CIVILIAN EMPLOYEES.**

3 (a) **WAIVER AUTHORITY.**—During calendar year
4 2008 and notwithstanding section 5547 of title 5, United
5 States Code, the head of an Executive agency may waive
6 the limitation, up to \$212,100, for total compensation, in-
7 cluding limitations on the aggregate of basic pay and pre-
8 mium pay payable in a calendar year, to an employee who
9 performs work while in an overseas location that is in the
10 area of responsibility of the Commander of the United
11 States Central Command, in direct support of, or directly
12 related to—

13 (1) a military operation, including a contin-
14 gency operation; or

15 (2) an operation in response to a declared emer-
16 gency.

17 (b) **ADDITIONAL PAY NOT CONSIDERED BASIC**
18 **PAY.**—To the extent that a waiver under subsection (a)
19 results in payment of additional premium pay of a type
20 that is normally creditable as basic pay for retirement or
21 any other purpose, such additional pay shall not be consid-
22 ered to be basic pay for any purpose, nor shall it be used
23 in computing a lump-sum payment for accumulated and
24 accrued annual leave under section 5551 of title 5, United
25 States Code.

1 (c) REGULATIONS.—The Director of the Office of
2 Personnel Management may issue regulations to ensure
3 appropriate consistency among heads of executive agencies
4 in the exercise of authority granted by this section.

5 **SEC. 1104. INCREASE IN AUTHORIZED NUMBER OF DE-**
6 **FENSE INTELLIGENCE SENIOR EXECUTIVE**
7 **SERVICE EMPLOYEES.**

8 Section 1606(a) of title 10, United States Code, is
9 amended by striking “594” and inserting “644 in fiscal
10 year 2008 and 694 in fiscal year 2009”.

11 **SEC. 1105. ACCUMULATION OF ANNUAL LEAVE BY SENIOR**
12 **LEVEL EMPLOYEES.**

13 Section 6304(f)(1) of title 5, United States Code, is
14 amended—

15 (1) by striking “in” in the matter preceding
16 subparagraph (A);

17 (2) by striking “the” each place it appears and
18 inserting “in the”;

19 (3) by striking “or” at the end of subparagraph
20 (D);

21 (4) by striking the period at the end of sub-
22 paragraph (E) and inserting a semicolon; and

23 (5) by adding at the end the following new sub-
24 paragraphs:

1 “(F) designated as a senior-level position
2 under subsection (a) of section 5376 of this
3 title; or

4 “(G) designated as a senior-level position
5 under subsection (a) of section 1607 of title
6 10.”.

7 **SEC. 1106. TRAVEL COMPENSATION FOR PREVAILING RATE**
8 **EMPLOYEES.**

9 (a) **ELIGIBILITY FOR COMPENSATORY TIME OFF FOR**
10 **TRAVEL.**—Section 5550b(a) of title 5, United States
11 Code, is amended by striking “section 5542(b)(2)” and
12 inserting “sections 5542(b)(2) and 5544(a)”.

13 (b) **CONFORMING AMENDMENT.**—Section
14 5541(2)(xi) of such title is amended by striking “section
15 5544” and inserting “sections 5544 and 5550b”.

16 (c) **EFFECTIVE DATE.**—The amendments made by
17 this section shall take effect on the earlier of—

18 (1) the effective date of any regulations pre-
19 scribed to carry out such amendments; or

20 (2) the 90th day after the date of the enact-
21 ment of this Act.

22 **SEC. 1107. ANNUITY COMMENCING DATES.**

23 (a) **CIVIL SERVICE RETIREMENT SYSTEM.**—Section
24 8345(b)(1) of title 5, United States Code, is amended by

1 striking “the first day of the month after” both places
2 it appears and inserting “the day after”.

3 (b) FEDERAL EMPLOYEES’ RETIREMENT SYSTEM.—

4 Section 8464(a) of such title is amended to read as fol-
5 lows:

6 “(a) Except as otherwise provided in this chapter—

7 “(1) an annuity payable from the Fund com-
8 mences on the day after—

9 “(A) separation from the service, in the
10 case of an employee or Member retiring under
11 section 8412 or 8414; or

12 “(B) pay ceases and the applicable age and
13 service requirements are met in the case of an
14 employee or Member retiring under section
15 8413; and

16 “(2) an annuity payable from the Fund com-
17 mences on the day after separation from the service
18 or the day after pay ceases and the requirements for
19 title to an annuity are met in the case of an em-
20 ployee or Member retiring under section 8451.”.

21 **SEC. 1108. LIFE INSURANCE COVERAGE FOR EMPLOYEES**

22 **CALLED TO ACTIVE DUTY.**

23 Section 8706(b) of title 5, United States Code, is
24 amended by adding at the end the following new para-
25 graph:

1 “(5) The insurance of an employee continues
2 for up to 24 months after discontinuance of pay for
3 any employee who—

4 “(A) is enrolled in life insurance under this
5 chapter;

6 “(B) is a member of a reserve component
7 of the armed forces;

8 “(C) is called or ordered to active duty;

9 “(D) is placed on leave without pay to per-
10 form active duty; and

11 “(E) serves on active duty for a period of
12 more than 30 consecutive days.”.

13 **SEC. 1109. FLEXIBILITY IN SETTING PAY FOR EMPLOYEES**
14 **WHO MOVE FROM A DEPARTMENT OF DE-**
15 **FENSE OR COAST GUARD NON-**
16 **APPROPRIATED FUND INSTRUMENTALITY**
17 **POSITION TO A DOD OR COAST GUARD POSI-**
18 **TION IN THE GENERAL SCHEDULE PAY SYS-**
19 **TEM.**

20 Section 5334(f) of title 5, United States Code, is
21 amended to read as follows:

22 “(f)(1) This subsection applies to an employee of a
23 nonappropriated fund instrumentality of the Department
24 of Defense or the Coast Guard described in section
25 2105(c) who moves, voluntarily or involuntarily, without

1 a break in service of more than 3 days, to a position in
2 the Department of Defense or the Coast Guard, respec-
3 tively, that is subject to this subchapter.

4 “(2) For an employee subject to this subsection, serv-
5 ice in a covered nonappropriated fund instrumentality
6 shall be treated as Federal service in the executive branch
7 for the purpose of applying any regulations issued by the
8 Director of the Office of Personnel Management governing
9 the setting of an employee’s rate of basic pay under this
10 subchapter based on rates received under another Federal
11 pay system. In the case of such an employee who is moved
12 involuntarily and without a substantial change in duties,
13 the employee is entitled under this paragraph to the lowest
14 step of the employee’s grade that equals or exceeds the
15 employee’s rate of basic pay under the nonappropriated
16 fund instrumentality immediately prior to so moving (after
17 applying geographic pay conversion consistent with the
18 regulations described in the first sentence of this para-
19 graph) or, if there is no such step, the maximum rate of
20 the grade (except as may be provided for under section
21 5365 or any other provision of law).

22 “(3) Notwithstanding any other provision of law, in
23 the case of an employee subject to this subsection, the em-
24 ployee’s initial rate of basic pay under this subchapter may
25 be set under the authority provided by the second sentence

1 United States Code, and section 265 of title 41,
2 United States Code, or their implementing regula-
3 tions.

4 (c) DEFINITION.—In this section, the term “con-
5 tractor” has the meaning given that term in section
6 2409(e)(4) of title 10, United States Code, and section
7 265(e)(2) of title 41, United States Code.

8 **TITLE XII—MATTERS RELATING**
9 **TO FOREIGN NATIONS**
10 **Subtitle A—Assistance and**
11 **Training**

12 **SEC. 1201. AUTHORITY TO TRAIN AND EQUIP FOREIGN PER-**
13 **SONNEL TO ASSIST IN ACCOUNTING FOR**
14 **MISSING PERSONNEL.**

15 (a) IN GENERAL.—The Secretary of Defense, with
16 the concurrence of the Secretary of State, may provide as-
17 sistance to foreign nations to assist the Department of De-
18 fense with recovery and accounting activities for missing
19 United States personnel.

20 (b) TYPES OF ASSISTANCE.—Such assistance may in-
21 clude the provision of equipment, supplies, services, train-
22 ing, and funding: *Provided further*, That the authority to
23 provide assistance under this section is in addition to any
24 other authority to provide assistance to foreign nations.

1 (c) LIMITATION.—Assistance authorized under this
2 section may not exceed \$1,000,000 in any fiscal year.

3 **SEC. 1202. PROVISION OF SUPPORT AND SERVICES TO FOR-**
4 **EIGN MILITARY AND STATE AIRCRAFT.**

5 (a) IN GENERAL.—(1) Section 9626 of title 10,
6 United States Code, is amended to read as follows:

7 **“§ 9626. Aircraft supplies and services: foreign mili-**
8 **tary or other foreign state aircraft**

9 “(a) AUTHORITY.—The Secretary of the Air Force,
10 under such regulations as he may prescribe, may provide
11 any of the following supplies or services, when in the best
12 interests of the United States, on a reimbursable basis
13 without an advance of funds if similar supplies and serv-
14 ices are furnished on a like basis to military aircraft and
15 other state aircraft of the United States by the foreign
16 country concerned:

17 “(1) Routine airport services, including landing
18 and takeoff assistance, servicing aircraft with fuel,
19 use of runways, parking and servicing, baggage and
20 cargo loading and unloading, to military and other
21 state aircraft of foreign countries.

22 “(2) Miscellaneous supplies, including Air
23 Force-owned fuel, provisions, spare parts, and gen-
24 eral stores, but not including ammunition, to mili-
25 tary and other state aircraft of foreign countries.

1 “(b) ROUTINE AIRPORT SERVICES.—(1) Routine air-
2 port services may be furnished under this section at no
3 cost to the foreign country concerned where such services
4 are provided by United States Air Force personnel and
5 equipment without direct cost to the Air Force.

6 “(2) When furnishing routine airport services
7 under this section to military or other state aircraft
8 of a foreign country, the Secretary may furnish such
9 services without reimbursement if such services are
10 provided under an agreement that provides for the
11 reciprocal furnishing by such country of routine air-
12 port services to military and other state aircraft of
13 the United States without reimbursement.

14 “(3) If routine airport services are furnished
15 under this section by a working-capital fund activity
16 of the Air Force established under section 2208 of
17 this title and such activity is not reimbursed directly
18 for the costs incurred by the activity in furnishing
19 those services by reason of paragraph (2), the work-
20 ing-capital fund activity shall be reimbursed for such
21 costs out of operating funds currently available to
22 the Air Force.”.

23 (2) The table of sections at the beginning of
24 chapter 939 of such title is amended by striking the

1 item relating to section 9626 and inserting the fol-
2 lowing new item:

“9626. Aircraft supplies and services: foreign military or other foreign state air-
craft.”.

3 (b) CONFORMING AMENDMENT.—Section 9629(3) of
4 such title is amended by striking “of a foreign military
5 or air attaché”.

6 **Subtitle B—Nonproliferation**
7 **Matters and Countries of Concern**

8 **SEC. 1211. REPEAL OF CERTAIN LAWS PERTAINING TO THE**
9 **JOINT COMMITTEE FOR THE REVIEW OF**
10 **COUNTERPROLIFERATION PROGRAMS.**

11 (a) JOINT COMMITTEE FOR THE REVIEW OF
12 COUNTERPROLIFERATION PROGRAMS OF THE UNITED
13 STATES.—Section 1605 of the National Defense Author-
14 ization Act for Fiscal Year 1994 (title XVI of Public Law
15 103–160; 22 U.S.C. 2751 note) is repealed.

16 (b) REPORTS ON COUNTERPROLIFERATION ACTIVI-
17 TIES AND PROGRAMS.—Section 1503 of the National De-
18 fense Authorization Act for Fiscal Year 1995 (title XV
19 of Public Law 103–337; 22 U.S.C. 2751 note) is repealed.

1 **Subtitle C—Other Matters**

2 **SEC. 1221. COOPERATIVE RESEARCH AND DEVELOPMENT**

3 **AGREEMENTS: NATO ORGANIZATIONS; AL-**

4 **LIED AND FRIENDLY FOREIGN COUNTRIES.**

5 Subsection (e) of section 2350a, of title 10, United
6 States Code, is amended—

7 (1) in paragraph (1)—

8 (A) by striking “an arms cooperation op-
9 portunities document” both places it appears
10 and inserting “a cooperative opportunities docu-
11 ment”; and

12 (B) by striking “a Mission Need State-
13 ment” in subparagraph (B) and inserting “an
14 analysis of alternatives plan”; and

15 (2) in paragraph (2), by striking “An arms co-
16 operation opportunities document” and inserting “A
17 cooperative opportunities document”.

18 **SEC. 1222. AMENDMENT TO THE COMPOSITION OF THE**

19 **BOARD OF VISITORS OF THE WESTERN HEMI-**

20 **SPHERE INSTITUTE FOR SECURITY CO-**

21 **OPERATION.**

22 Section 2166(e)(1)(F) of title 10, United States
23 Code, is amended to read as follows:

24 “(F) The commanders of the combatant
25 commands having geographic responsibilities for

1 the Western Hemisphere, or designees of those
2 officers.”.

3 **SEC. 1223. ACCEPT FUNDS FROM THE GOVERNMENT OF**
4 **PALAU.**

5 Section 1933(a) of title 48, United States Code, is
6 amended—

7 (1) by inserting “(1)” before “In recognition”;
8 and

9 (2) by adding at the end the following new
10 paragraph—

11 “(2) The Secretary of Defense may accept the
12 \$250,000 annual funds from the Government of
13 Palau. Funds accepted by the Secretary under this
14 section from the Government of Palau shall be cred-
15 ited to the appropriations available to the Depart-
16 ment of Defense for the Civic Action Team. Funds
17 so credited shall be merged with the appropriations
18 to which credited and shall be available to the Civic
19 Action Team for the same purposes and the same
20 period as the appropriations with which they are
21 merged.”.

22 **SEC. 1224. SHARING RISKS IN INTERNATIONAL OPER-**
23 **ATIONS.**

24 (a) SHARING RISKS IN INTERNATIONAL OPER-
25 ATIONS.—Chapter 443 of title 49, United States Code, is

1 amended by adding at the end the following new sub-
 2 chapter:

3 “SUBCHAPTER II—RISK SHARING

“Sec.

“44311. Sharing risks in international operations.

4 **“§ 44311. Sharing risks in international operations**

5 “(a) RISK-SHARING OBLIGATIONS.—With the ap-
 6 proval of the President, the Secretary of Defense or the
 7 Secretary of State may incur obligations that arise from
 8 losses incurred as a result of participation in an inter-
 9 national risk-sharing agreement covering aircraft oper-
 10 ations in support of the North Atlantic Treaty Organiza-
 11 tion or other similar international organization or alliance,
 12 without regard to the nationality of registration or owner-
 13 ship of aircraft.

14 “(b) RISK-SHARING REVOLVING FUND.—(1) At the
 15 time of such obligation and for each obligation there will
 16 be established a revolving fund in the Treasury, to be
 17 known as the air operations risk-sharing revolving fund
 18 to be administered by the Secretary of Transportation,
 19 and to be available without fiscal year limitation. The fund
 20 is distinct from the aviation insurance revolving fund es-
 21 tablished by section 44307 of this chapter.

22 “(2) The fund shall be used to pay the amounts due
 23 to other nations or organizations and to receive contribu-
 24 tions from other nations or organizations under an agree-

1 ment referred to in subsection (a). Contributions received
2 by the United States under an agreement referred to in
3 subsection (a) and credited to the air operations risk-shar-
4 ing revolving fund may be used to pay subsequent
5 amounts due other nations or organizations under such
6 agreement. When payment is due under an agreement ref-
7 erenced in subsection (a), and the fund either has no mon-
8 ies or the monies in the fund are insufficient to make the
9 payment, the Secretary of the Department that has in-
10 curred the obligation pursuant to subsection (a) shall pro-
11 vide the necessary amount to the air operations risk-shar-
12 ing revolving fund or directly to the other nations or orga-
13 nizations.

14 “(3) The Secretary of the Department that has in-
15 curred the obligation pursuant to subsection (a) may re-
16 quest and the Secretary of Transportation may transfer
17 funds from the air operations risk-sharing revolving fund
18 to the aviation insurance revolving fund in order to satisfy,
19 in whole or in part, an obligation owed to the Secretary
20 of Transportation to cover losses incurred at the request
21 of the Secretary concerned pursuant to section 44305(b)
22 of this title.

23 “(4) On request of the Secretary of Transportation,
24 the Secretary of the Treasury may invest all or any part
25 of the amount in the air operations risk-sharing revolving

1 fund in interest-bearing securities of the United States
2 government. The interest on, and the proceeds from, the
3 sale or redemption of the securities shall be credited to
4 the air operations risk sharing revolving fund.

5 “(5) At the completion of air operations entered pur-
6 suant to (a) above, the Secretary of the Department that
7 has incurred the obligation shall terminate the risk-shar-
8 ing revolving fund when the Secretary reasonably believes
9 that no additional claims or contributions will be received.
10 Amounts in the risk-sharing revolving fund will be trans-
11 ferred to the miscellaneous receipts account in the Treas-
12 ury. Any contributions received after termination will also
13 be transferred to that account.

14 “(c) INDEMNIFICATION NOT AFFECTED.—This sec-
15 tion does not affect a requirement to make a prompt pay-
16 ment to the Secretary of Transportation for credit to the
17 aviation insurance revolving fund under an indemnity
18 agreement under section 44305(b) of this title.

19 “(d) EXPENSES NOT INCURRED.—The requirement
20 for the Secretary of Transportation to pay expenses in-
21 curred through the use of appropriated funds under
22 44307(d) of this title shall not apply to this section.”.

23 (b) CLERICAL AND CONFORMING AMENDMENTS.—

24 (1) The table of sections at the beginning of
25 such chapter is amended—

1 (A) by inserting “SUBCHAPTER I—
2 GENERAL” after “**CHAPTER 443—IN-**
3 **SURANCE**”; and

4 (B) by adding at the end the following:
5 “SUBCHAPTER II—RISK SHARING

“44311. Sharing risks in international operations.”.

6 (2) Chapter 443 is further amended by insert-
7 ing “SUBCHAPTER I—GENERAL” before section
8 44301.

9 (3) Section 44307(a)(1) of such title is amend-
10 ed—

11 (A) by inserting “to be known as the avia-
12 tion insurance revolving fund” before the period
13 at the end of the first sentence; and

14 (B) by striking “fund payments to carry
15 out this chapter” in the second sentence and in-
16 serting “aviation insurance revolving fund pay-
17 ments to carry out this chapter except pursuant
18 to section 44311”.

19 (c) PERMANENT APPROPRIATION.—Section 9514 of
20 title 10, United States Code, is amended—

21 (1) by redesignating subsection (g) as sub-
22 section (h); and

23 (2) by inserting after subsection (f) the fol-
24 lowing new subsection (g):

1 “(g) RISK-SHARING OBLIGATIONS AUTHORITY AND
2 PERMANENT APPROPRIATION.—(1) Upon approval by the
3 President, the Secretary of Defense, after consultation
4 with the Secretary of State, is authorized to enter into
5 an international sharing of risk agreements pursuant to
6 section 44311 of title 49 with regard to civil aircraft sup-
7 porting military operations of the North Atlantic Treaty
8 Organization or similar international organization or alli-
9 ance in which the United States is a party. The Secretary
10 of Defense may incur obligations that arise from losses
11 incurred as a result of an international risk-sharing agree-
12 ment covering aircraft operations in support of the North
13 Atlantic Treaty Organization or other similar inter-
14 national organization or alliance, without regard to the na-
15 tionality of registration or ownership of the aircraft.

16 “(2) To fund obligations of such international shar-
17 ing of risk agreements, there is authorized to be appro-
18 priated to the Secretary of Defense such sums as may be
19 necessary to pay or incur such obligations. Any final judg-
20 ment rendered in any suit authorized under Federal law
21 and any final payment or settlement in furtherance of
22 such international sharing of risk agreements shall, upon
23 the presentation of a duly authenticated copy thereof, be
24 paid by the proper accounting officers of the Department
25 of Defense into the air operations risk-sharing revolving

1 fund from funds specifically appropriated by Congress for
2 such international risk-sharing agreement; otherwise there
3 is hereby appropriated, out of any money in the Treasury
4 of the United States not otherwise appropriated, a sum
5 sufficient to pay any such judgment or award or settle-
6 ment.”.

7 **TITLE XIII—MATTERS RELATED**
8 **TO DEFENSE AGAINST TER-**
9 **RORISM AND RELATED SECU-**
10 **RITY MATTERS**

11 **SEC. 1301. RATIONALIZING REWARDS FOR ASSISTANCE IN**
12 **COMBATING TERRORISM.**

13 Section 127b of title 10, United States Code, is
14 amended—

15 (1) in subsection (b), by striking “\$200,000”
16 and inserting “\$5,000,000”;

17 (2) in subsection (c)(1)(B), by striking
18 “\$50,000” and inserting “\$1,000,000”; and

19 (3) in subsection (d)(2), by striking
20 “\$100,000” and inserting “\$2,000,000”.

1 **TITLE XIV—ADDITIONAL AU-**
2 **THORIZATIONS FOR IN-**
3 **CREASED COSTS DUE TO THE**
4 **GLOBAL WAR ON TERROR**
5 **FOR MILITARY ACTIVITIES**
6 **AND MILITARY CONSTRUC-**
7 **TION FOR FISCAL YEAR 2008**

8 **SEC. 1401. ARMY PROCUREMENT.**

9 Funds are hereby authorized to be appropriated for
10 fiscal year 2008 for procurement for the Army as follows:

- 11 (1) For aircraft, \$1,900,306,000.
12 (2) For missiles, \$492,734,000.
13 (3) For weapons and tracked combat vehicles,
14 \$4,780,172,000.
15 (4) For ammunition, \$313,000,000.
16 (5) For other procurement, \$13,630,977,000.

17 **SEC. 1402. NAVY AND MARINE CORPS PROCUREMENT.**

18 (a) NAVY.—Funds are hereby authorized to be appro-
19 priated for fiscal year 2008 for procurement for the Navy
20 as follows:

- 21 (1) For aircraft, \$3,099,958,000.
22 (2) For weapons, including missiles and tor-
23 pedoes, \$251,281,000.
24 (3) For other procurement, \$793,311,000.

1 (b) MARINE CORPS.—Funds are hereby authorized to
2 be appropriated for fiscal year 2008 for procurement for
3 the Marine Corps in the amount of \$2,462,140,000.

4 (c) NAVY AND MARINE CORPS AMMUNITION.—Funds
5 are hereby authorized to be appropriated for fiscal year
6 2008 for procurement of ammunition for the Navy and
7 Marine Corps in the amount of \$590,090,000.

8 **SEC. 1403. AIR FORCE PROCUREMENT.**

9 Funds are hereby authorized to be appropriated for
10 fiscal year 2008 for procurement for the Air Force as fol-
11 lows:

12 (1) For aircraft, \$3,336,809,000.

13 (2) For ammunition, \$74,005,000.

14 (3) For missiles, \$1,800,000.

15 (4) For other procurement, \$3,760,206,000.

16 **SEC. 1404. DEFENSE-WIDE ACTIVITIES PROCUREMENT.**

17 Funds are hereby authorized to be appropriated for
18 fiscal year 2008 for Defense-wide procurement in the
19 amount of \$469,768,000.

20 **SEC. 1405. JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT**
21 **FUND.**

22 Funds are hereby authorized to be appropriated for
23 fiscal year 2008 for the Joint Improvised Explosive Device
24 Defeat Fund in the amount of \$4,000,000,000.

1 **SEC. 1406. RESEARCH, DEVELOPMENT, TEST, AND EVALUA-**
2 **TION.**

3 Funds are hereby authorized to be appropriated for
4 fiscal year 2008 for the use of the Department of Defense
5 for research, development, test, and evaluation, as follows:

6 (1) For the Army, \$141,653,000.

7 (2) For the Navy, \$618,428,000.

8 (3) For the Air Force, \$1,369,781,000.

9 (4) For Defense-wide activities, \$727,498,000.

10 **SEC. 1407. OPERATION AND MAINTENANCE FUNDING.**

11 Funds are hereby authorized to be appropriated for
12 fiscal year 2008 for the use of the Armed Forces and other
13 activities and agencies of the Department of Defense, for
14 expenses, not otherwise provided for, for operation and
15 maintenance, in amounts as follows:

16 (1) For the Army, \$46,230,964,000.

17 (2) For the Navy, \$5,426,407,000.

18 (3) For the Marine Corps, \$4,013,093,000.

19 (4) For the Air Force, \$10,536,330,000.

20 (5) For the Defense-wide activities,
21 \$6,098,990,000.

22 (6) For the Army Reserve, \$158,410,000.

23 (7) For the Navy Reserve, \$69,598,000.

24 (8) For the Marine Corps Reserve, \$68,000,000

25 (9) For the Army National Guard,
26 \$466,150,000.

1 (10) For the Air National Guard, \$31,168,000.

2 **SEC. 1408. WORKING CAPITAL FUNDS.**

3 Funds are hereby authorized to be appropriated for
4 fiscal year 2008 for the use of the Armed Forces and other
5 activities and agencies of the Department of Defense for
6 providing capital for working capital and revolving funds
7 in amounts as follows:

8 (1) For the Defense Working Capital Funds,
9 \$1,676,275,000.

10 (2) For the National Defense Sealift Fund,
11 \$5,110,000.

12 **SEC. 1409. OTHER DEPARTMENT OF DEFENSE PROGRAMS.**

13 (a) DEFENSE HEALTH PROGRAM.—Funds are here-
14 by authorized to be appropriated for the Department of
15 Defense for fiscal year 2008 for expenses, not otherwise
16 provided for, for the Defense Health Program, in the
17 amount of \$1,022,842,000 is for Operation and Mainte-
18 nance.

19 (b) DRUG INTERDICTION AND COUNTER DRUG AC-
20 TIVITIES, DEFENSE-WIDE.—Funds are hereby authorized
21 to be appropriated for the Department of Defense for fis-
22 cal year 2008 for expenses, not otherwise provided for, for
23 Drug Interdiction and Counter-Drug Activities, Defense-
24 wide, in the amount of \$257,618,000.

1 (c) DEFENSE INSPECTOR GENERAL.—Funds are
2 hereby authorized to be appropriated for the Department
3 of Defense for fiscal year 2008 for expenses, not otherwise
4 provided for, for the Office of the Inspector General of
5 the Department of Defense, in the amount of \$4,394,000,
6 is for Operation and Maintenance.

7 **SEC. 1410. IRAQ FREEDOM FUND.**

8 Funds are hereby authorized to be appropriated for
9 fiscal year 2008 for the Iraq Freedom Fund in the amount
10 of \$107,500,000.

11 **SEC. 1411. AFGHANISTAN SECURITY FORCES FUND.**

12 Funds are hereby authorized to be appropriated for
13 fiscal year 2008 for the Afghanistan Security Forces Fund
14 in the amount of \$2,700,000,000.

15 **SEC. 1412. IRAQ SECURITY FORCES FUND.**

16 Funds are hereby authorized to be appropriated for
17 fiscal year 2008 for the Iraq Security Forces Fund in the
18 amount of \$2,000,000,000.

19 **SEC. 1413. ADDITIONAL END STRENGTHS FOR ACTIVE**
20 **FORCES.**

21 In addition to the end strengths authorized in section
22 401 of this Act, the Armed Forces are authorized addi-
23 tional strengths for active duty personnel as of September
24 30, 2008, as follows:

25 (1) The Army, 36,000.

1 (2) The Marine Corps, 9,000.

2 **SEC. 1414. MILITARY PERSONNEL.**

3 This section would authorize an additional
4 \$17,070,263,000 for military personnel.

5 **SEC. 1415. AUTHORIZED ARMY CONSTRUCTION AND LAND**
6 **ACQUISITION PROJECTS.**

7 Using amounts appropriated pursuant to the author-
8 ization of appropriations in section 1415(1), the Secretary
9 of the Army may acquire real property and carry out mili-
10 tary construction projects for the installations or locations
11 outside the United States, and in the amounts set forth
12 in the following table:

Army: Outside the United States

Country	Installation or Location	Amount
Afghanistan	Bagram Air Base	103,000,000
Iraq	Camp Adder	80,650,000
	Al Asad	86,100,000
	Camp Anaconda	88,200,000
	Fallujah	880,000
	Camp Marez	880,000
	Mosul	43,000,000
	Q-West	26,000,000
	Camp Ramadi	880,000
	Scania	5,000,000
	Camp Speicher	103,700,00
	Camp Taqqadum	880,000
	Tikrit	43,000,000
	Camp Victory	34,400,000
	Camp Warrior	880,000
	Various Locations	102,000,000
	Total	719,450,000

13 **SEC. 1416. MILITARY CONSTRUCTION AUTHORIZATION OF**
14 **APPROPRIATIONS, ARMY.**

15 Funds are hereby authorized to be appropriated for
16 fiscal years beginning after September 30, 2007, for mili-

1 tary construction, land acquisition, and military family
 2 housing functions of the Department of the Army in the
 3 total amount of \$738,850,000 as follows:

4 (1) For military construction projects outside
 5 the United States authorized by section 607(a),
 6 \$719,450,000.

7 (2) For architectural and engineering services
 8 and construction design under section 2807 of title
 9 10, United States Code, \$19,400,000.

10 **SEC. 1417. AUTHORIZED NAVY CONSTRUCTION AND LAND**
 11 **ACQUISITION PROJECTS.**

12 Using amounts appropriated pursuant to the author-
 13 ization of appropriations in section 1417(1), the Secretary
 14 of the Navy may acquire real property and carry out mili-
 15 tary construction projects for the installations or locations
 16 inside the United States, and in the amounts set forth
 17 in the following table:

Navy: Inside the United States

State	Installation or Location	Amount
California	Camp Pendleton	102,034,000
	Twenty-Nine Palms	4,440,000
North Carolina	Camp Lejeune	43,340,000
	Total	149,814,000

18 **SEC. 1418. MILITARY CONSTRUCTION AUTHORIZATION OF**
 19 **APPROPRIATIONS, NAVY.**

20 Subject to section 2825 of title 10, United States
 21 Code, funds are hereby authorized to be appropriated for

1 fiscal years beginning after September 30, 2007, for mili-
 2 tary construction, land acquisition, and military family
 3 housing functions of the Department of the Navy in the
 4 total amount of \$169,071,000, as follows:

5 (1) For military construction projects inside the
 6 United States authorized by section 2201(a),
 7 \$149,814,000.

8 (2) For architectural and engineering services
 9 and construction design under section 2807 of title
 10 10, United States Code, \$7,491,000.

11 (3) For construction and acquisition, planning
 12 and design, and improvement of military family
 13 housing and facilities, \$11,766,000.

14 **DIVISION B—MILITARY CON-**
 15 **STRUCTION AUTHORIZA-**
 16 **TIONS**

17 **SEC. 2001. SHORT TITLE.**

18 This division may be cited as the “Military Construc-
 19 tion Authorization Act for Fiscal Year 2007”.

20 **TITLE XXI—ARMY**

21 [TO BE SUBMITTED AT A LATER DATE]

22 **TITLE XXII—NAVY**

23 [TO BE SUBMITTED AT A LATER DATE]

24 **TITLE XXIII—AIR FORCE**

25 [TO BE SUBMITTED AT A LATER DATE]

1 **TITLE XXIV—DEFENSE**
2 **AGENCIES**

3 [TO BE SUBMITTED AT A LATER DATE]

4 **TITLE XXV—NORTH ATLANTIC**
5 **TREATY ORGANIZATION SE-**
6 **CURITY INVESTMENT PRO-**
7 **GRAM**

8 [TO BE SUBMITTED AT A LATER DATE]

9 **TITLE XXVI—CHEMICAL DEMILI-**
10 **TARIZATION CONSTRUCTION**
11 **PROGRAM**

12 [TO BE SUBMITTED AT A LATER DATE]

13 **TITLE XXVII—GUARD AND**
14 **RESERVE FORCES FACILITIES**

15 [TO BE SUBMITTED AT A LATER DATE]

16 **TITLE XXVIII—EXPIRATION AND**
17 **EXTENSION OF AUTHORIZA-**
18 **TIONS**

19 [TO BE SUBMITTED AT A LATER DATE]

1 **TITLE XXIX—MILITARY CON-**
2 **STRUCTION GENERAL PROVI-**
3 **SIONS**

4 **Subtitle A—Military Construction**
5 **Program and Military Family**
6 **Housing Changes**

7 **SEC. 2901. ALTERNATIVE AUTHORITY FOR ACQUISITION**
8 **AND IMPROVEMENT OF MILITARY HOUSING.**

9 Section 2883(c) of title 10, United States Code, is
10 amended—

11 (1) in paragraph (1), by adding at the end the
12 following new subparagraph:

13 “(G) Subject to subsection (f), any
14 amounts that the Secretary of Defense trans-
15 fers to that Fund from amounts in the Depart-
16 ment of Defense Base Closure Account 2005.”;
17 and

18 (2) in paragraph (2), by adding at the end the
19 following new subparagraph:

20 “(G) Subject to subsection (f), any
21 amounts that the Secretary of Defense trans-
22 fers to that Fund from amounts in the Depart-
23 ment of Defense Base Closure Account 2005.”.

1 **SEC. 2902. INCREASED THRESHOLD FOR CONGRESSIONAL**
2 **NOTIFICATION OF LEASES FOR MILITARY**
3 **FAMILY HOUSING FACILITIES IN A FOREIGN**
4 **COUNTRY.**

5 Section 2828(f) of title 10, United States Code, is
6 amended by striking “\$500,000” and inserting
7 “\$1,000,000”.

8 **SEC. 2903. UPDATING FOREIGN CURRENCY FLUCTUATION**
9 **ADJUSTMENT FOR CERTAIN MILITARY FAM-**
10 **ILY HOUSING LEASES IN KOREA.**

11 Section 2828(e)(5)(A) of title 10, United States
12 Code, is amended to read as follows:

13 “(A) for—

14 “(i) foreign currency fluctuations
15 from October 1, 1987, in the case of max-
16 imum lease amounts provided for under
17 paragraphs (1), (2), and (3); or

18 “(ii) foreign currency appreciation
19 during the previous fiscal year, starting
20 from October 1, 2002, in the case of the
21 maximum lease amount provided for under
22 paragraph (4); and”.

23 **SEC. 2904. FLEXIBILITY IN DETERMINING DOMESTIC FAM-**
24 **ILY HOUSING LEASE MAXIMUMS.**

25 Section 2828(b) of title 10, United States Code, is
26 amended—

1 (1) in paragraph (2), by striking “paragraphs
2 (3) and (4)” and inserting “paragraphs (3), (4), and
3 (7)”; and

4 (2) by adding at the end the following new
5 paragraph:

6 “(7) The Secretary of the Army may lease not
7 more than 600 of the 10,000 family housing units
8 provided in paragraph (1) at an amount not greater
9 than 33 percent above the maximum lease amount
10 under paragraph (3), as adjusted under paragraph
11 (5) for the fiscal year in which a unit is leased under
12 this paragraph. The maximum lease amount pro-
13 vided in this paragraph shall apply only to Army
14 family housing in areas designated by the Secretary
15 of the Army and for leases not to exceed a term of
16 2 years.”.

17 **SEC. 2905. EXTENSION OF AUTHORITY TO ACCEPT EQUALI-**
18 **ZATION PAYMENTS FOR FACILITY EX-**
19 **CHANGES.**

20 Paragraph (5) of section 2809(c) of the Ronald W.
21 Reagan National Defense Authorization Act for Fiscal
22 Year 2005 (Public Law 108–375; 118 Stat. 2126) is
23 amended by striking “September 30, 2007” and inserting
24 “September 30, 2010”.

1 **Subtitle B—Real Property and**
2 **Facilities Administration**

3 **SEC. 2911. CONSOLIDATION OF REAL PROPERTY PROVI-**
4 **SIONS WITHOUT SUBSTANTIVE CHANGE.**

5 (a) CONSOLIDATION.—Section 2663 of title 10,
6 United States Code, is amended by adding at the end the
7 following new subsection:

8 “(h) OPTIONS FOR MILITARY CONSTRUCTION
9 PROJECTS.—(1) The Secretary of a military department
10 may acquire an option on a parcel of real property before
11 or after its acquisition is authorized by law, if he considers
12 it suitable and likely to be needed for a military project
13 of his department.

14 “(2) As consideration for an option acquired under
15 paragraph (1), the Secretary may pay, from funds avail-
16 able to his department for real property activities, an
17 amount that is not more than 12 percent of the appraised
18 fair market value of the property.”.

19 (b) CONFORMING AMENDMENTS.—(1) Section 2677
20 of such title is repealed.

21 (2) The table of sections at the beginning of chapter
22 159 of such title is amended by striking the item relating
23 to section 2677.

1 **SEC. 2912. TRANSFER OF THE AIR FORCE MEMORIAL TO**
2 **THE DEPARTMENT OF THE AIR FORCE.**

3 (a) TRANSFER OF JURISDICTION.—Notwithstanding
4 any other provision of section 2863 of the National De-
5 fense Authorization Act for Fiscal Year 2002 (Public Law
6 107–107; 115 Stat. 1330), and section 2881 of the Na-
7 tional Defense Authorization Act for Fiscal Year 2000
8 (Public Law 106–65; 113 Stat. 879), administrative juris-
9 diction, custody, and control of the parcel of land de-
10 scribed in section 2863(b)(1) of the National Defense Au-
11 thorization Act for Fiscal Year 2002 is hereby transferred
12 to the Secretary of the Air Force.

13 (b) ACCESS AND MANAGEMENT OF THE AIR FORCE
14 MEMORIAL.—In addition to existing authorities, the Sec-
15 retary of the Air Force may enter into a cooperative agree-
16 ment with the Air Force Memorial Foundation or other
17 appropriate private organizations to provide management,
18 maintenance and repair of the Air Force Memorial and
19 surrounding site and to guarantee public access to the me-
20 morial.

21 **Subtitle C—Land Conveyances**

22 **SEC. 2921. LAND TRANSFER OF ARLINGTON NAVAL ANNEX**
23 **TO ARLINGTON NATIONAL CEMETERY.**

24 Section 2881(h) of the National Defense Authoriza-
25 tion Act for Fiscal Year 2000 (Public Law 106–65; 113

1 Stat. 879), is amended by striking paragraphs (1) and (2)
 2 and inserting the following new paragraphs:

3 “(1) January 1, 2013;

4 “(2) the date when the Arlington Naval Annex
 5 property is no longer required (as determined by the
 6 Secretary of Defense) for use as temporary office
 7 space; or

8 “(3) twelve months after the date the Secretary
 9 of the Army notifies the Secretary of Defense that
 10 the Arlington Naval Annex property is needed for
 11 the expansion of Arlington National Cemetery.”.

12 **Subtitle D—Other Matters**

13 **SEC. 2931. AUTHORITY TO USE OPERATION AND MAINTENANCE FUNDS FOR CONSTRUCTION PROJECTS OUTSIDE THE UNITED STATES.**

16 (a) IN GENERAL.—Chapter 169 of title 10, United
 17 States Code, is amended by inserting after section 2809
 18 the following new section:

19 **“§ 2810. Authority to use operation and maintenance funds for construction projects outside the United States**

22 “(a) IN GENERAL.—The Secretary of Defense may
 23 obligate appropriated funds available for operation and
 24 maintenance to carry out a construction project outside

1 the United States that the Secretary determines meets
2 each of the following conditions:

3 “(1) The construction is necessary to meet ur-
4 gent military operational requirements involving the
5 use of the armed forces in support of a declaration
6 of war, the declaration by the President of a na-
7 tional emergency under section 201 of the National
8 Emergencies Act (50 U.S.C. 1621), or a contingency
9 operation.

10 “(2) The requirement is of a temporary nature,
11 such that there is no intention of using the construc-
12 tion after the operational requirements have been
13 satisfied.

14 “(3) The level of construction is the minimum
15 necessary to meet the temporary operational require-
16 ments.

17 “(b) LIMITATION ON USE OF AUTHORITY.—(1) The
18 total cost of the construction projects carried out under
19 this section shall not exceed \$200,000,000 in any fiscal
20 year.

21 “(2) The Secretary of Defense may waive the
22 limitation imposed by paragraph (1) if the Secretary
23 determines that the obligation of operation and
24 maintenance funds for construction projects in ex-

1 cess of the amount specified in such paragraph is
2 vital to the national security.

3 “(3) Upon use of the waiver authority granted
4 by paragraph (2), the Secretary shall notify the Of-
5 fice of Management and Budget of the amounts of
6 operation and maintenance funds obligated in excess
7 of \$200,000,000 along with a description of the
8 projects so funded.

9 “(c) RELATION TO OTHER AUTHORITIES.—The au-
10 thority provided by this section, and the limited authority
11 provided by section 2805(c) of this title, are the only au-
12 thorities available to the Secretary of Defense and the Sec-
13 retaries of the military departments to use appropriated
14 funds available for operation and maintenance to carry out
15 construction projects.”.

16 (b) CLERICAL AMENDMENT.—The table of sections
17 at the beginning of such chapter is amended by inserting
18 after the item relating to section 2809 the following new
19 item:

 “2810. Authority to use operation and maintenance funds for construction
 projects outside the United States.”.

20 **SEC. 2932. STREAMLINING MILITARY CONSTRUCTION TO**
21 **REDUCE FACILITY ACQUISITION AND CON-**
22 **STRUCTION CYCLE TIME.**

23 Section 2805 of title 10, United States Code, is
24 amended—

1 (1) in subsection (a)(1)—

2 (A) by striking “\$1,500,000” and inserting
3 “\$3,000,000”; and

4 (B) by striking “\$3,000,000” in the last
5 sentence and inserting “\$7,000,000”;

6 (2) in subsection (b)(1), by striking “\$750,000”
7 and inserting “\$1,500,000”; and

8 (3) in subsection (c)(1)—

9 (A) in subparagraph (A)—

10 (i) by striking “\$1,500,000” and in-
11 serting “\$3,000,000”; and

12 (ii) by striking “or” at the end;

13 (B) in subparagraph (B)—

14 (i) by striking “\$750,000” and insert-
15 ing “\$1,500,000”; and

16 (ii) by striking the period at the end
17 and inserting “; or” and

18 (C) by adding at the end the following new
19 subparagraph:

20 “(C) \$2,000,000, in cases where the dis-
21 posal of obsolete facilities as part of the project
22 results in a reduction in facility footprint at
23 least equal to the footprint of the new facility.
24 The approving official must certify the demoli-

1 tion (or disposal by other means) of the offset-
2 ting facility.”.

3 **SEC. 2933. AMENDMENT OF THE FEDERAL LAND POLICY**
4 **AND MANAGEMENT ACT OF 1976 TO INCLUDE**
5 **NEVADA AS A STATE WHERE THE MILITARY**
6 **CAN ACCESS PUBLIC LAND VIA A PERMIT**
7 **GRANTED BY THE SECRETARY OF THE INTE-**
8 **RIOR.**

9 Section 302(d) of the Federal Land Policy and Man-
10 agement Act of 1976 (43 U.S.C. 1732) is amended—

11 (1) by inserting “or Nevada, as appropriate,”
12 after “Governor of Alaska”; and

13 (2) by inserting “or Nevada, as appropriate,”
14 after “Recreation Area”).

○